UNITED NATIONS **DP**

Governing Council of the United Nations Development Programme

Distr.
GENERAL

DP/1993/SR.21
8 September 1993

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Fortieth session

SUMMARY RECORD OF THE 21st MEETING

Held at Headquarters, New York,
on Wednesday, 9 June 1993, at 3 p.m.

President: Mr. HADID (Algeria)

later: Mr. ZIARAN (Islamic Republic of Iran)
(Vice-President)

CONTENTS

Annual report of the Administrator for 1992 and programme-level activities (continued)

(a) Environment and development (continued)

(c) Women in development (continued)

(d) Regional economic integration (continued)

/...

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Office of Conference Services, room DC2-794, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

(e) Non-governmental and grass-roots organizations (continued)

(f) Management Development Programme (continued)

Implementation of General Assembly resolution 47/199

Other matters

(a) Venue of sessions of the Governing Council

The meeting was called to order at 3.10 p.m.

ANNUAL REPORT OF THE ADMINISTRATOR FOR 1992 AND PROGRAMME-LEVEL ACTIVITIES (continued) (DP/1993/10 and Add.1-5)

(a) ENVIRONMENT AND DEVELOPMENT (continued) (DP/1993/11)

(c) WOMEN IN DEVELOPMENT (continued) (DP/1993/13)

(d) REGIONAL ECONOMIC INTEGRATION (continued) (DP/1993/14)

(e) NON-GOVERNMENTAL AND GRASS-ROOTS ORGANIZATIONS (continued) (DP/1993/15)

(f) MANAGEMENT DEVELOPMENT PROGRAMME (continued) (DP/1993/16)

1. Mr. KONG (Department of Development Support and Management Services) said that in recent years growing awareness of the key role to be played by Governments in creating and maintaining conditions conducive to development success had led to an increased focus on basic administrative reforms throughout the developing world. To ensure that the United Nations continued to play a role in that field, the Secretary-General had assigned responsibility for the matter to the newly formed Department of Development Support and Management Services.

2. Over the years, the United Nations public administration, public financing and development planning programmes had made a major contribution to the field. In 1992, for example, one third of total project delivery had concerned activities in implementation of the public administration and development policy. Considerable success had been achieved in training public administrators and helping them to create the necessary institutions and policy frameworks. However, the task ahead was immense, as Governments increasingly realized the need to improve their own functioning. The Department had therefore welcomed the establishment by the United Nations Development Programme (UNDP) of its Management Development Programme in 1988. It was felt that, by combining the Department's extensive experience and technical capabilities with the financial resources available under the programme, great progress could be made in strengthening assistance in governance and public administration, financial management and accounting, and economic management and development planning.

3. Although a limited degree of collaboration had been achieved, much remained to be done in order to reach the Secretary-General's goal of maximum integration and coordination of United Nations development assistance services. As the new Department had been established, collaboration should be strengthened by institutionalizing its relationship with the programme. He looked forward to a fruitful dialogue with UNDP on the Management Development Programme and would advise the Council of the outcome in 1994.

4. Mr. Byung Yong SOH (Republic of Korea) said that, under the newly emerging international order, UNDP had adopted a new concept and methodology in its development activities, with human development and environment as the priority themes and the programme approach, capacity-building and national execution as the new modalities of the development process. While he acknowledged the

(Mr. Byung Yong Soh, Republic of Korea)

efforts of UNDP to use its comparative advantages to extend its activities in order to meet the demands of developing countries in different sectors and to include the democratization processes under way in Africa and Central America, he was concerned that those activities were spread too thinly over too many areas, given the limited resources available. His delegation therefore believed that core development issues should always be given higher priority, while other activities should be conducted as supplementary measures.

5. The increased assistance given by UNDP for environmental protection was commendable and he welcomed the launching of the Capacity 21 initiative. He hoped to see efforts in that sector continuing throughout the fifth programming cycle. UNDP could also play a major role in restructuring the Global Environment Facility (GEF), which needed to be closely coordinated with Capacity 21.

6. Human development was a core issue in the development process and it was encouraging to see that most of the fifth-cycle programmes had a clearly stated human development focus. That focus should be maintained and strengthened through regular review of the programmes. The importance of sustainable human development was also reaffirmed in the Human Development Report, 1993. His delegation was particularly interested in the subject of women in development and, according to the Report, women still suffered from significant inequalities in education, jobs, political rights and health care. Although two thirds of country programmes in the fifth cycle included the issue of women and development, few countries had adopted a systematic approach to it and he hoped that it would be given much higher priority in UNDP development activities.

7. He welcomed the common interpretation of the programme approach adopted in April 1993 and hoped that its application to country programmes would be further expanded. It was encouraging that the implementation rate of national execution had risen from 30 per cent in 1991 to 37 per cent in 1992 and United Nations agencies should continue to provide technical support services in order to ensure that the trend continued. Decentralization was vital for improving the efficiency of country programmes, but the delegation of greater authority to field offices meant that closer monitoring and evaluation were required. With regard to restructuring, the goals to be pursued were streamlined governance and a sound funding mechanism. Reasonable criteria should be developed reflecting the opinion of developing countries as a whole.

8. His own country was expected to assume the status of net donor country towards the end of the fifth cycle. It had already been conducting modest financial cooperation programmes with developing countries and expected those activities to expand following the creation of the Korean International Cooperation Agency in 1991. It was vital to ensure continuing technology transfer to the developing countries and the United Nations system had an important role to play as a mediator in that context.

9. Mr. TSERING (Observer for Bhutan) said that while bilateral assistance in his country had increased in recent times, UNDP's level of assistance had not. Since UNDP had increased its mandates, but not its resources, it was to be hoped that the organization would not spread its resources too thinly, nor cut back programmes, in particular, in the least developed countries. While his

(Mr. Tsering, Observer, Bhutan)

delegation recognized the need to provide urgent humanitarian and peace-keeping assistance, long-term development needs should not be overlooked.

10. If the restructuring of the United Nations institutions under way was to have the desired impact, a comprehensive view of the role of all multilateral development agencies, including specialized agencies and financial institutions, was necessary. Despite significant efforts to decentralize its operations and to simplify procedures, UNDP reporting, approval and other procedures remained highly centralized and required further simplification with regard to national execution. While efforts to reduce support costs were commendable, increasing administrative costs should not be charged to projects. By keeping administrative and project costs separate, it was possible to assess the true cost of administration and keep it within proper limits.

11. The role of non-governmental organizations should always be supportive of and supplementary to government efforts. NGOs should have their own solid grass-roots foundation and not depend on Governments or external agencies for their existence. Use of external NGOs, in particular those with professional and specialized skills, should be increased.

12. Mr. KOZUSNIK (Austria) said that, although the optimism engendered by the fundamental global changes in recent years had not been fully justified, there was a growing awareness that any concept of sustainable international security must entail consideration of global issues such as sustainable development, population, migration and drug control.

13. His delegation welcomed the concept of the country strategy note, the common interpretation of the programme approach, the programme support document, the enhanced focus on national execution and capacity-building, the efforts to harmonize the programming cycles, rules and procedures of relevant United Nations bodies and the UNDP initiative to develop system-wide approaches to monitoring and evaluation. It also supported the opening of Resident Coordinator and Resident Representative posts to members of the Joint Consultative Group on Policies, and was in favour of the establishment of integrated offices. Those initiatives should be strengthened by ongoing broad reforms in the governance of operational activities, and his delegation expected early adoption of the reform package negotiated under the chairmanship of the Second Committee on the basis of the Nordic Project. The reforms would enhance the overall credibility of the United Nations development system and would also have a favourable impact on UNDP.

14. The most significant development in the philosophy of UNDP had been its increased focus on people. The consensus that development must serve the individual had had a profound impact on the concept of development cooperation and, together with the incorporation of environmental considerations, had helped to shape the concept of sustainable human development. He commended the Human Development Report, which had helped to strengthen that concept by focusing on different aspects of development each year. The publication was widely respected in his country and the independence of its writers and researchers should be carefully maintained. The most recent edition of the Report stressed the importance of participation of the people, a concept which his country believed to be central to its own democratic political process as well as to development cooperation.

(Mr. Kozusnik, Austria)

15. The future role of UNDP within the United Nations development system centred on the issue of comparative advantage. The Administrator had distinguished between functional and substantive comparative advantage. The functional advantage of UNDP derived from its traditional role in the field, its expertise in dealing with Governments, donors and other bodies, and its experience in designing and delivering technical assistance, while its substantive advantage was rooted in its ability to strengthen national capacity and in its multisectoral mandate.

16. The many comparative advantages UNDP enjoyed would certainly justify an extension in its activities. Possible future UNDP involvement could include electoral assistance, assistance for the newly independent States, migration and displacement, reintegration of returning refugees, a multisectoral response to HIV/AIDS, and drug control. All those activities should be carried out in the context of overall UNDP support for sustainable human development and in close cooperation with other United Nations agencies.

17. Every effort should be made to ensure the smooth functioning of the agency support cost arrangements. While it was too early to pass judgement on the current system, emphasis should be placed on continuing consultation between UNDP and the various implementing agencies so as to eliminate administrative shortcomings and achieve maximum efficiency.

18. On the matter of environment, his Government wholeheartedly supported the Capacity 21 initiative, which would provide support for strengthening national capacity to achieve sustainable development.

19. In a world where annual military expenditure was in the region of $1 trillion, it was questionable to speak of scarce resources. The problem was rather one of resource allocation. Yet the lack of available resources was a reality which might force UNDP to reassess future activities, since programmes could be sustained at current levels only if the present pattern of decreasing contributions was reversed.

20. Mr. DAIDJ-BAGHDAD (Algeria) said that there was a marked contrast between UNDP's excellent record, on the one hand, and the disturbing prospects, particularly in respect of resources, on the other. The current international economic situation was characterized by urgent and complex challenges; in the midst of those upheavals, UNDP's mandate and functions remained fully valid. However, because of its unique advantages and almost universal field presence, UNDP was being requested to intervene in areas of uncertain validity which could distance it from its original purpose of responding to the needs and priorities of developing countries, as reaffirmed in General Assembly resolution 47/199. UNDP had to face new demands including an increase in the number of beneficiary countries, at a time of sharp decline in resources. The international community, and above all the developed countries, must respect the commitments made under various international agreements and strategies if UNDP was to continue to perform its central role.

21. The restructuring process of the United Nations and the proposed changes in operational activities for development came at a very appropriate time. His delegation hoped that innovative financing mechanisms would be established which would lead to a substantial increase in resources and the development of a

(Mr. Daidj-Baghdad, Algeria)

stable, regular and predictable financial basis, the only guarantee of effective action. At the same time, the reallocation of resources made necessary by the emergence of new beneficiary countries should not be carried out to the detriment of the programmes and activities traditionally intended for developing countries.

22. His delegation attached particular importance to the United Nations New Agenda for the Development of Africa in the 1990s, and noted with satisfaction the Administrator's commitment to accord priority to UNDP's efforts to benefit Africa. It had to be recognized that so far no tangible results had been achieved. Many African countries had embarked on a process of economic reform, often at high social cost, at a time of crushing external debt and negative terms of trade. In that situation UNDP must help to establish a favourable economic and social environment by calling on traditional donors and also by helping beneficiary countries to implement their economic reform programmes in a flexible manner, while alleviating social costs, and by supporting regional and subregional integration efforts.

23. Nearly a year after the establishment of Capacity 21, few concrete results had been attained. The resources pledged amounted to barely 18 per cent of the initial objective, even though there seemed to have been broad consensus about the objectives of Capacity 21, and the scale of the needs to be met. It was to be hoped that the problems encountered were those associated with the beginning of any new process and would soon be overcome.

24. The advantages of technical cooperation among developing countries (TCDC) were indisputable; it should therefore be an integral part of harmonious development and not simply a special activity which development organizations conducted outside their normal development frameworks. However, TCDC would function better if the conditions of the world economy stabilized and improved. Since it aimed to use the local capacities of developing countries, it could prove to be a very effective means of achieving the objective of self-sufficiency. A programme of action should be formulated to make TCDC a modality which had to be taken into account in any development programme. TCDC must be given an operational framework; first, through a strengthening of the mechanism of the exchange of information and then, through a more sustained mobilization of resources to finance the projects selected.

25. The Human Development Report 1993 was less controversial than previous reports; however, if it was to be a constructive and well-founded document, a stricter and more reliable methodology must be developed.

26. The Management Development Programme was extremely valuable since the improvement of management capacities was a prerequisite for all development. However, all such programmes must be formulated on the basis of the priorities identified by the beneficiary countries themselves. Since all countries were different, it was pointless to seek to impose a management model, and the credibility of the programme could be undermined.

27. For some time there had been a sharp erosion in multilateral cooperation. Development problems had become so complex, however, that such cooperation must be revived through innovative and sustained initiatives on the part of all concerned.

28. Mr. SY (Organization of African Unity (OAU)) said that over the past decade poverty had intensified in many African countries as a result of the adverse international economic environment and unfavourable internal factors, notably inadequate economic policies, poor management of resources and controversial ideological orientation. The rigid structure of African economies was partly responsible for the low impact of structural adjustment programmes. For the next decade, the growth projection for the continent, excluding North Africa, was highly unfavourable; assistance from the international community would need to be reinforced by national efforts in order to improve the level of living of the people.

29. OAU commended UNDP's efforts to facilitate accelerated and sustained economic growth and development within the context of Agenda 21, particularly in the areas of capacity-building, sustainable development, human development and resource mobilization. At the same time, it underscored the significance of regional economic integration for the long-term sustained economic development of the continent.

30. The importance of subregional and continental integration in Africa had been well articulated in the Lagos Plan of Action and Final Act in 1980. The African Economic Community (AEC), established in 1991, served as the umbrella for several subregional integration schemes. OAU welcomed UNDP's financial and technical support for those regional integration arrangements, including AEC. The integration of the small markets of many African countries was a precondition for meaningful industrialization in a highly competitive global economy, and would enhance their bargaining position in the world economy, especially in respect of financial and technical assistance for integration and development.

31. OAU recognized the financial limitations of African economic integration arrangements as a result of poor funding by member States of those groups, largely because of their prolonged recession and lack of political will. It would welcome increased financial and technical support from the world community. Financial assistance was needed for the development of infrastructure, industrialization and agricultural development. Better communications were essential to allow trade expansion among member States. As to technical assistance, OAU urged UNDP to increase its assistance to AEC and to extend its cooperation in the area of infrastructural development.

32. The existence of too many intergovernmental organizations could be counter-productive for rapid economic growth and development. OAU therefore recommended a rationalization of their objectives and streamlining of their functions in order to avoid waste of resources.

33. The primary forces for economic integration were the member States themselves; their political will needed to be sustained as integration progressed. The long-term benefits of economic integration would be of tremendous advantage for the entire continent. More sacrifices would have to be made in terms of financial contributions and policy changes to achieve that goal. Adequate skilled manpower was a prerequisite for the meaningful function of the institutions of integration schemes; OAU urged UNDP to increase its support for capacity-building and for regional integration schemes. Such support would also assist in the optimum utilization of resources.

(Mr. Sy, OAU)

34. OAU was currently involved in efforts to create a political and economic environment that would favour the early attainment of the objectives of African countries; that would involve, in particular, the peaceful settlement of disputes, economic integration and peaceful transition to democracy. OAU hoped that UNDP would be on its side in that endeavour.

35. Mr. THONG (Viet Nam) said that the current session was taking place at a very critical juncture when profound changes continued to take place in the world; the development challenge had assumed wider dimensions and much greater urgency, particularly for the developing countries, many of which had been searching for new opportunities and avenues of development. Over the years, UNDP had proved its vitality in providing effective development assistance; his delegation therefore noted with the utmost concern the significant decline in the already meagre financial means of UNDP. The international community should strike an appropriate balance between the agenda for peace and the imperative agenda for development. His delegation strongly appealed to donor countries to increase their contributions to UNDP.

36. Capacity 21 deserved a greater response from the donor community; his delegation urged that stronger commitments be made. It fully supported UNDP's activities in helping to promote regional economic integration efforts in various parts of the world. His delegation hoped that UNDP's contribution in the region of Asia and the Pacific would be further strengthened, particularly since the general environment in that region had become increasingly favourable over the past few years.

37. UNDP's assistance in the ongoing fourth country programme played a very important role in Viet Nam's reform and renovation process and had already brought about significant results. At a time of exceptionally adverse international conditions, Viet Nam valued particularly UNDP's assistance.

IMPLEMENTATION OF GENERAL ASSEMBLY RESOLUTION 47/199

38. Mr. MATTHEWS (Director, Policy Division, Bureau for Programme Policy and Evaluation (BPPE)) said that in response to the request, in paragraph 51 of General Assembly resolution 47/199, for a yearly progress report on measures taken and to be taken to implement that resolution, the Council had before it the introduction to the annual report of the Administrator for 1992 (DP/1993/10). A substantial part of that document, in particular paragraphs 15 to 27, related to action taken to implement the resolution.

39. UNDP was fully committed to the implementation of General Assembly resolution 47/199, which built on the landmark resolution 44/211 on operational activities. The Council had taken a number of decisions towards that end and the Secretariat had endeavoured to operationalize them; its efforts had begun in 1990, following the adoption of General Assembly resolution 44/211. The process had been time-consuming and occasionally frustrating. However, it had to be borne in mind that General Assembly resolutions were addressed to the United Nations system as a whole and organic and hierarchic arrangements were often weak or even absent. Reaching agreement on the definition of terms, operational guidelines and procedures, as well as new approaches and relationships, was not easy in a system as diverse and complex as that of the United Nations.

(Mr. Matthews)

40. UNDP had responded to General Assembly resolutions 44/211 and 47/199 both collectively and individually. It had been an active participant in the Administrative Committee on Coordination (ACC) machinery, notably the Consultative Committee on Programme and Operational Questions, and in the Joint Consultative Group on Policy. It had also cooperated closely with the Department for Economic and Social Development and was continuing to cooperate with the three new departments which had replaced it. It continued to provide substantial support to the Resident Coordinator function, including the administration of the Resident Coordinators who, in virtually all cases, were UNDP's Resident Representatives.

41. At the same time, through other specific activities, especially country programming, UNDP had endeavoured to bring both the letter and the spirit of General Assembly resolutions 44/211 and 47/199 into everything it did.

42. Ms. LØJ (Denmark) speaking on behalf of the European Community and its member States, said that General Assembly resolution 47/199 provided an important basis for revitalizing the United Nations development system. Given its excellent contacts to Governments and local authorities and thorough knowledge of the work of other United Nations organizations, UNDP could play a significant role in the preparation of a country strategy note. In addition, UNDP's extensive field network and experience in administering the programme approach concept would be helpful in preparing country strategy notes.

43. UNDP should revise its guidelines for promoting national execution to ensure a gradually increasing role for national authorities and other entities in more countries each year. Decentralization was clearly a prerequisite for a meaningful change in national execution and the programme approach and should be accompanied by transparency and accountability in field activities. Resident Coordinators should be selected on the basis of quality and should also be recruited outside the UNDP system. In this regard, UNDP should continue to explore ways to widen the selection process with its partners in the Joint Consultative Group on Policies. Furthermore, Resident Coordinators should use the authority given to them by resolution 47/199 to coordinate effectively and where appropriate, to propose amendments to country programmes. Common premises should continue to be increased as they made it easier for United Nations funds, programmes and agencies to utilize their respective comparative advantages and complement each other to the highest degree. Given the budget problems which several United Nations organizations faced, the cost-effectiveness of field representatives had important implications.

44. Mr. BARNETT (United Kingdom) said that UNDP was the obvious organization to promote the development of country strategy notes in recipient countries which wanted them. His delegation urged UNDP to make clear and strenuous efforts to develop such notes. Secondly, as the UNDP country representative was often the representative for the United Nations Fund for Population Activities and the World Food Programme, UNDP, in particular, should encourage decentralization of authority in the field and continue to raise the quality of its Resident Representatives. Thirdly, UNDP should ensure that the guidelines for programme approach and national execution were implemented effectively for the United Nations as a whole. Finally, UNDP's excellent procedural, accounting and auditing systems provided a useful basis upon which to build more harmonized and simplified procedures.

(Mr. Barnett, United Kingdom)

45. It was important to make clear that UNDP Resident Representatives at field level provided feedback to the Council since, ultimately, resolution 47/199 was meaningless unless it led to a better United Nations performance on the ground. Improved training would help to raise the level of teamwork in the field. Resident Coordinators should not hesitate to use the increased powers given to them by resolution 47/199 and should draw to the attention of the Governing Council and the Economic and Social Council any problems relating to coordination.

46. Mr. JASINSKI (Poland) said that the streamlining of procedures should not apply only to the United Nations system, but also to donor and recipient Governments as well. All parties concerned, including governing bodies, should join in a continuous exercise for improving the programming and delivery of technical cooperation activities. He stressed that development activities, especially those involving human and sustainable development, required cooperation and interdependence. Finally, he pointed out that paragraph 48 of resolution 47/199, which called on the United Nations system to assist "countries undergoing deep economic and social reform," could be applied specifically to UNDP.

47. Mr. GALVEZ (Peru) said that UNDP had contributed invaluable assistance to Peru in the areas of employment, infrastructure, structural reform, privatization and social development. Coordination and the development of a global plan were of paramount importance to the future of United Nations activities. In response to the new challenges of the post-cold-war era, UNDP, with its multisectoral focus, and consequent flexibility, had proved ideally suited to deal with emergency situations that necessitated quick provision of funds and rapid logistical deployment; it was likewise ideally suited to assist countries in the process of economic and political transformation. UNDP had won the esteem and confidence of Governments and communities through broad experience in the field, and its management capacities had proved equal to such new tasks as democracy-building, election-monitoring and peace-keeping. But the global focus on human sustainable development must be responsive to the varying needs and characteristics of individual regions and countries.

48. UNDP had a strong capacity to mobilize resources in regions like Latin America where the use of seed capital, or the multiplier effect, had been highly effective. UNDP actually administered, however, by way of bilateral and multilateral resources much greater sums than were indicated by indicative planning figures (IPFs) cited in country programmes.

49. While attaining the maximum level of national execution would facilitate sustainable development, flexibility was crucial at the current transitional phase, because many nations, lacking the capacity for autonomous management, risked slowing down the inflow of development funds. The new information technologies could assist decentralization of decision-making capacities.

50. Mr. WRIGHT (Canada) said that his delegation endorsed the country strategy note and hoped that many recipient Governments would recognize that new tool as a means to enhance the development impact of operational activities. The field committees referred to in General Assembly resolution 47/199 were preferable to a single United Nations development organization at the field level and would facilitate policy and programme coordination and technical dialogue. His

(Mr. Wright, Canada)

delegation was concerned that little action had been taken thus far to establish field committees in countries where United Nations activities justified them. It was hoped that headquarters would instruct the Resident Coordinators concerned to establish and operationalize those new committees. Finally, his delegation appealed to UNDP to accelerate action in the areas of national execution, training, the adoption of the programme approach and decentralization.

51. Mr. LUNDBERG (Sweden) said that effective coordination was urgently needed to halt the fragmentation of United Nations development activities. He strongly endorsed the use of the country strategy note as a coordinating tool at the field level, and added that the Nordic delegation particularly welcomed UNDP efforts to enlist support for the country strategy note from the Administrative Committee on Coordination (ACC) and the Joint Consultative Group on Policies (JCGP).

52. Mr. MORALES-CARBALLO (Cuba) said that he appreciated UNDP efforts to implement resolution 47/199 and welcomed the move towards national execution and decentralization, in particular the decision to authorize Resident Representatives to approve projects of up to $1 million.

53. Mr. MATTHEWS (Director, Policy Division, Bureau for Programme Policy and Evaluation (BPPE)) assured the Council that the Secretariat was working hand in hand with partners in the United Nations system - in particular with the Department for Policy Coordination and Sustainable Development (DPCSD) - to alert recipient Governments to the paragraphs of resolution 47/199 concerning the country strategy note. When requested, it was also assisting Governments in developing their country strategy notes. The Secretary-General, DPCSD, the UNDP Administrator, and the executive heads of JCGP had all sent communications to Resident Representatives in the field, calling their attention to the country strategy note, and urging prompt follow-up. Resident Representatives had been requested at the country level to bring the resolution to the attention of their Governments. The decision to participate ultimately, of course, rested with the recipient Government, not with the United Nations system.

54. UNDP guiding principles on the programme approach had already been brought in line with system-wide principles and the Secretariat was revising its guidelines and instructions to bring them into conformity with the system-wide position taken by ACC on national execution.

55. The secretariat had been consulting with JCGP partners as well as with other members of the United Nations system with a view to widening the pool of qualified development professionals eligible for appointment as Resident Representatives and Resident Coordinators, and intended to do whatever possible to enhance the transparency of the process. He shared the view of the United Kingdom delegation that there should be more in-depth dialogue between Member States and the United Nations system and suggested that the Economic and Social Council could provide the appropriate forum for such discussions.

56. Half of the countries with United Nations field presence already had field committees, some of which had existed for several years. DPCSD, acting with the full support and collaboration of the UNDP secretariat, would be responsible for issuing instructions to Resident Coordinators. Finally, he endorsed the view

expressed by many speakers that UNDP must actively work towards the implementation of resolution 47/199.

57. The PRESIDENT stated that the general debate was thus concluded. He would take it that the Council wished to authorize a drafting committee to elaborate a draft decision on the implementation of resolution 47/199.

58. It was so decided.

OTHER MATTERS

(a) VENUE OF SESSIONS OF THE GOVERNING COUNCIL

59. Mr. GRAISSE (Secretary of the Governing Council) drew the attention of the Council to the Administrator's report for 1992 (DP/1992/49) which contained a chapter on the venue of sessions, including background, relevant legislation, and detailed information on cost estimates and attendance. Document DP/1993/53 contained additional information regarding attendance and the actual cost of holding sessions at Geneva or New York. Financial data on conference service costs were based on information provided by the United Nations, and reflected the apportionment to UNDP of the cost of the Governing Council in 1991 and 1992.

60. At its thirty-ninth session, the Governing Council had decided to continue its discussion of venue at the current session.

61. Mr. ROHNER (Observer for Switzerland) reminded the Council of the long debate on venue that had taken place the year before. His delegation proposed that the discussion of venue should be postponed until after the restructuring was complete.

62. Mr. HORIGUCHI (Japan) reminded the Council of the cost advantage of holding Governing Council meetings in New York, where the UNDP secretariat had its headquarters, adding that the advantage was still greater if delegation travel expenses were taken into account. He agreed with the Swiss observer that the discussion of venue should be postponed until the restructuring was complete.

63. The PRESIDENT said that he would take it that the discussion of venue should be postponed until after the conclusion of the restructuring process.

64. It was so decided.

The meeting rose at 5.25 p.m.

UNITED NATIONS

DP

Governing Council of the United Nations Development Programme

Distr.
GENERAL

DP/1993/SR.22
8 September 1993

ORIGINAL: ENGLISH

GOVERNING COUNCIL

SUMMARY RECORD OF THE 22nd MEETING

Held at Headquarters, New York,
on Thursday, 10 June 1993, at 10 a.m.

President: Mr. HADID (Algeria)

CONTENTS

United Nations technical cooperation activities

Other matters

(e) Implications for the United Nations Development Programme, in particular for the Office for Project Services of recent decisions on administrative reform of the United Nations Secretariat

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Department of Conference Services, room DC2-794, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

The meeting was called to order at 10.15 a.m.

UNITED NATIONS TECHNICAL COOPERATION ACTIVITIES (DP/1993/39, Add.1, Add.2 and Add.3)

1. Mr. JI Chaozhu (Under-Secretary-General, Department of Development Support and Management Services), introducing the report of the Secretary-General on United Nations technical cooperation activities, said that the Department of Development Support and Management Services made use of a bold, coherent, multidisciplinary approach to technical cooperation that embodied many of the principles advocated in recent General Assembly resolutions on improvements in the operational activities of the United Nations. The Department was active at all levels in coordinating the work of specialized agencies in peace-keeping, humanitarian affairs and sustainable development. Some of the specific newer initiatives of the Department addressed the problems of Africa and the least developed countries, technical cooperation among developing countries and questions relating to the environment, programme evaluation and women in development.

2. As part of its mandate the Department was participating in the implementation of decisions 91/32 and 92/22 on agency support cost arrangements. The decisions reflected, inter alia, the views of the specialized agencies, including UNDP, regarding refinements in the system to make it more effective. Therefore, the Department was concerned that recent delays in the implementation of the support costs arrangements were impeding the work of the Department and other relevant agencies in support of programmes and projects financed by UNDP, in particular, technical support services at the project level (TSS-2). He was pleased that various Governments had taken note of the problem and that UNDP had proposed taking positive steps towards a solution. He also said that progress in implementing services at the programme level (TSS-1) remained slow, although a number of TSS-1 exercises were either at the design stage or under way.

3. The Department valued technical expertise highly and sought to assemble experts in order to provide focused support for development projects in the areas of economic management training, development policy, public administration, business administration, financial management and natural resources management. Emphasis would also be placed on the development of human resources and social infrastructure on a national basis and on capacity-building for sustainable development. In that connection, he looked forward to working with the Management Development Programme (MDP) in the capacity-building effort.

4. He described four topics that the Department had assumed pursuant to resolution 47/199: the country strategy note, the programme approach, national execution, and the Resident Coordinator System. Implementation of those initiatives would enable the Department to provide assistance to developing countries more effectively. Working together with its partners in development, the Department would strive to have an impact in the countries it served. He looked forward to the report on the accomplishments of the Department during the 1994 session of the Governing Council.

5. Mr. POPESCU (Romania) welcomed the fact that the Department of Development Support and Management Services would be undertaking technical cooperation focusing on the developing countries and the countries in transition. In 1992, that Department's predecessor - the Department of Economic and Social Development - has been participating in 918 technical cooperation projects, mostly in Sub-Saharan Africa. He was gratified to note that recruitment of women and experts from the developing countries had increased in 1992 and that the number of subcontracts awarded to companies in those countries had also increased. He hoped that Romanian experts would be better represented in the Organization's technical cooperation projects in 1993.

6. Romania had been impressed with the work done by the former Department of Economic and Social Development in technical cooperation, especially in the environmental sector in Africa. He also appreciated the initiatives undertaken by the Department in the areas of peace-building, the improvement of governance and financial administration, electoral assistance and privatization. However, he regretted the decrease of 40 per cent in the number of training degrees awarded in 1992 as compared to 1991, as well as the gap widening between the training and personnel components of the Department's project expenditures budget. In addition, the proportion of equipment orders placed in developing countries had declined.

7. In Romania, the Department had assisted in designing and implementing a privatization programme as well as the first full population and housing census since 1977. Publication of the data from the census had already begun. In addition to the work of the Department of Economic and Social Development, Romania had also benefited from assistance from the Economic Commission for Europe through its programme for economic reconstruction in Eastern Europe. He also thanked the Centre for Human Rights for the electoral assistance it had provided as well as its support for a series of human rights seminars in Bucharest.

8. Romania welcomed the measures taken by the Secretary-General to restructure and revitalize the work of the United Nations in technical cooperation. The new Department of Development Support and Management Services (DDSMS) would sharpen the focus and enhance the impact of the Organization's technical cooperation programmes in the developing countries and the countries in transition. The Department should concentrate on institutional capacity-building, human resources development and technical support with and emphasis on management training. He also recommended the creation of a national capacity-building trust fund within DDSMS.

9. Mr. DENG Zhihui (China) asked how it was possible for the recruitment of the Department of Economic and Social Development to have increased, even as the amount of resources allocated for implementing projects had declined. He hoped that the transfer of technical cooperation functions to DDSMS would result in increased efficiency in programmes execution, particularly with regard to capacity-building.

10. Mr. ACHA (Peru) asked whether there was more written information available on the Department's participation in electoral assistance programmes, and what sort of technical assistance the Department could provide to countries such as Peru which had ratified the various international agreements emerging from the United Nations Conference on Environment and Development (UNCED) but lacked the technical capacity to implement them efficiently.

11. Mr. JASINSKI (Poland) said that the technical cooperation of the Department of Economic and Social Development warranted the praise of the Council, and the Department's successor promised still more successes. Poland believed that the execution of projects in sustainable development should be made an urgent priority of the new Department. While he believed that the use of resources from the Global Environment Facility (GEF) was appropriate for technical cooperation projects implemented by the Department, such projects must face the highest standards of performance. Implementation of the UNCED agreements would require expert technical advice and the kind of knowledge and experience which only the Secretariat agency could provide. He hoped that the new Department would be able to share its expertise with national legislatures such as Poland's which would be drafting laws on diverse technical subjects such as mineral exploitation, energy use, pollution abatement and public finance. Expertise in those areas was of particular importance for Poland and other countries with economies in transition.

12. Mrs. CORVALAN (Observer for Chile) said that Chile supported all the proposals put forward under the Cairo Plan of Action and had participated in their adoption. She hoped that the proposals would help her country to make progress in technical cooperation and that consultants sent to countries under technical cooperation arrangements would be conversant with the specific needs of those countries.

13. Mr. JI Chaozhu (Under-Secretary-General, Department of Development Support and Management Services) said, in reply to comments made by various speakers, that his Department would focus its work on institutional and human resources development because the best way would be for his Department to help the recipients by helping themselves. On the question of providing documentation on electoral assistance, he would respond immediately as soon as specific material on the subject was available in his Department. As the Secretary-General had stressed, all United Nations departments should work together as a single team. The theme that there could be no peace without development nor development without peace would continue to be emphasized in the years ahead.

14. The fall in resources was a matter of great concern and UNDP, the United Nations Population Fund and various departments, including his own, had taken action to make the best use of the extremely limited resources available. The suggestion concerning the establishment of a trust fund for his Department was welcome.

15. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished the drafting group to begin elaborating a draft decision on that subject.

16. It was so decided.

OTHER MATTERS

(e) IMPLICATIONS FOR THE UNITED NATIONS DEVELOPMENT PROGRAMME, IN PARTICULAR FOR THE OFFICE FOR PROJECT SERVICES, OF RECENT DECISIONS ON ADMINISTRATIVE REFORM OF THE UNITED NATIONS SECRETARIAT (DP/1993/20 and DP/1993/70)

17. Mr. DRAPER (Administrator, United Nations Development Programme), introducing document DP/1993/20, said that over the coming years the Governing Council and UNDP should remain vigilant and ensure that the fundamental strength of the Office for Project Services (OPS), its ability to deliver development assistance effectively to recipient countries, remained intact. The task at hand was to create an environment that would enable OPS to adapt to the ever-changing needs of developing countries.

18. The tremendous growth of OPS in recent years attested to its responsiveness to demands for effective delivery. That responsiveness was the result of a very strong relationship between UNDP and OPS at headquarters and in the field through a constant interchange of personnel that brought together programming and operations experience thus making UNDP/OPS staff a unique asset.

19. However, OPS had outgrown its need for control by UNDP and was ready to take on new and more challenging responsibilities. Throughout the restructuring process, the primary concern of UNDP had been to preserve OPS as an effective implementing entity for UNDP and recipient countries, while at the same time allowing it to bring its dynamism to the system as a whole.

20. The idea of a corporate model for the new OPS under the direction and guidance of an independent Management Board had been settled upon as the best means for preserving the operational capabilities of OPS and creating an environment in which OPS could continue to thrive. The Management Board would continue to be guided by the Governing Council. The Board's mandate would be to assist the Secretary-General in providing policy and management direction to the new OPS. The semi-autonomous status of OPS would help allay any misgivings or uneasiness about the Office.

21. In its new structure, OPS would be the largest implementing agency in the United Nations system. UNDP and the Council must protect the resources entrusted to OPS and, for that reason, the Council should closely monitor the process of relocating OPS.

22. OPS provided the opportunity for a new kind of operation for the United Nations, one that responded in an efficient and flexible manner to the needs of beneficiaries. It must therefore be endowed with commensurate resources and staff. He recommended the Council to endorse the report of the Task Force.

23. Mr. JI Chaozhu (Under-Secretary-General, Department of Development Support and Management Services) said that he fully endorsed the UNDP Administrator's statement. In introducing document DP/1993/70 on the report of the Task Force on OPS, he noted that the Task Force had agreed upon the modalities for the transfer of OPS which would ensure its competitiveness and effectiveness.

24. In its conclusions, the Task Force had reaffirmed that the mandate and functions of OPS would be to provide management services and assume implementation responsibilities for development projects and programmes. The

(Mr. Ji Chaozhu)

Task Force had recommended that the UNDP Governing Council should provide general policy guidance and direction for OPS under the purview of the Economic and Social Council and the General Assembly. The Governing Council would be the main organ responsible for guiding the programme, funding and coordinating activities of UNDP and the operational and implementation activities of OPS.

25. The need to achieve the unity of purpose stressed by the Secretary-General lay behind the main goals of the restructuring exercise as did the recommendation to establish a Management Board to assist the Secretary-General in providing policy and management direction in the function of OPS. The participation of the UNDP Administrator in the work of the Board would ensure that OPS continued to respond to the requirements of development assistance while the membership of the Under-Secretary-General for Administration and Management would ensure that the financial, administrative and personnel arrangements required to maintain OPS effectiveness were implemented. The functions of the Management Board would include ensuring the implementation of the mandate of OPS; ensuring the appropriateness of rules and procedures for the operations of OPS; reviewing the biennial programme and budget of OPS and related submissions to the UNDP Governing Council, General Assembly and other bodies, reviewing and evaluating the performance and effectiveness of OPS and approving requests from the OPS Director for the establishment, within available income, of additional posts below D-1 to be incorporated in subsequent budget submissions.

26. The Task Force concluded that OPS would continue to operate as a self-financing entity but that its size must vary with the size and nature of its business. OPS would continue to enjoy considerable flexibility and delegation of authority in the recruitment of staff. Its funds would be held and administered solely for the purposes and activities of OPS. The Task Force further recommended that the budget of OPS should be approved by the UNDP Governing Council after review by the Advisory Committee on Administrative and Budgetary Questions. OPS would also enjoy ample delegation of authority in the budgetary and financial area comparable with what it currently enjoyed with UNDP. With respect to procurement, OPS would operate under regulations and rules which would allow it to maintain its current flexibility particularly with respect to the provision of management services.

27. The relocation of OPS was feasible without producing an adverse impact on its current operations. The combination of the operational capabilities of OPS with the technical and substantive capacity of his Department would result in a new and stronger organization that was more responsive to the complex needs of developing countries. It would also further strengthen the role of UNDP as the central funding and coordinating body for operational activities within the United Nations system.

28. Ms. KNUDSEN (Observer for Denmark), speaking on behalf of the European Community, stressed the importance of maintaining and further increasing the flexibility, efficiency and cost-effectiveness that had characterized the work of the Office for Project Services (OPS) under existing arrangements and of maintaining it as a semi-autonomous and self-financing body. The relationship between the Governing Council, the OPS Management Board and the Office itself should be further clarified and the respective roles of the Council and the Board should be clearly defined. Further information would be appreciated on

(Ms. Knudsen, Observer, Denmark)

measures to ensure that the current staff would have the opportunity to rotate between OPS and UNDP and whether such an arrangement would also apply to new staff. She also wished to know whether the staff of DESD in the areas of finance, personnel and procurement would be included in that rotation and what the financial implications of their absorption would be.

29. Submitting the budget to both the Governing Council and the Fifth Committee was an unusual arrangement. Detailed information was requested concerning the procedure involved and the respective roles of the two bodies. There appeared to be a danger that the Council could approve a budget which would then be rejected by the Fifth Committee.

30. UNDP would continue to provide OPS with essential services in a number of areas during the transition period. She would like to have a clear indication about the length of that period and who would provide those services subsequently. A timetable indicating the anticipated activities should be provided as soon as possible and a progress report on the transfer should be submitted at the special session of the Governing Council in February 1994. Subject to satisfactory clarification of those points, the member States of the European Community could support the ideas set forth in the report of the Administrator (DP/1993/20). They would closely follow the performance of OPS under the new arrangement, and its success or failure would be judged strictly by results.

31. Ms. LIEDES (Finland), speaking on behalf of the Nordic countries, expressed a deep commitment to the process of reforming the United Nations in the economic and social fields, including operational activities. The Nordic countries had serious concern about the transfer of the Office for Project Services (OPS) and felt that further justification of the proposed change was still necessary. A distinction should be made between two broad categories of functions: normative functions and operational ones. Normative functions, such as analytical and research activities, should, in principle, be the main responsibility of the Secretariat; while operational functions should primarily be performed by the funds and programmes. Furthermore, reforms should be designed to increase clarity with regard to the roles of the various bodies concerned and the organization and administration of the Secretariat and promote a more efficient governance system. Since the Secretariat should concentrate on normative functions, an operational entity like OPS with a semi-autonomous status and different personnel policies and financial rules should not be a part of it. Furthermore, the proposed transfer of the Office would add to the increasing trend of financing Secretariat functions through extrabudgetary sources. That was a cause of concern for the Nordic countries.

32. With regard to governance, the establishment of a Management Board might introduce ambiguity into the chain of command, which was contrary to the spirit of the reform process. Moreover, the proposed involvement of both the General Assembly and the Governing Council would further blur the issue. The Nordic countries emphasized the need to maintain and enhance the flexibility, efficiency and cost-effectiveness of OPS, which should remain self-financing. That was especially needed in view of increased national execution so that recipient countries could have the option to use the Office to implement their programmes and projects.

(Ms. Liedes, Finland)

33. The Nordic countries were also concerned about the financial implications for UNDP of the transfer of OPS. Further details were requested on the Office's actual income as part of the Programme's overall income. The extent to which the proposed relocation of OPS would affect the willingness of multilateral and bilateral organizations to make use of its services should also be considered.

34. She requested further clarification of the implications of the transfer for the personnel concerned. The main issue was how to ensure that the staff could rotate between UNDP and OPS and how personnel with a development perspective could be retained and attracted. Lastly, OPS was to absorb certain functions currently being carried out by DESD. The Nordic countries would appreciate more information on both the financial and technical implications of that proposal. All those issues should be clarified before a final decision was taken. Serious consideration should also be given to the possibility of establishing a fully autonomous unit of OPS and separating the relevant part of DESD from the Secretariat.

35. Mr. BISTA (Observer for Nepal) said that the importance of OPS for the least developed countries would be further increased after the absorption of the unit performing similar functions in the Department of Economic and Social Development (DESD). The enhancement of the Office's operational efficiency and cost-effectiveness would be based, inter alia, on self-financing, the OPS management culture, further decentralization as well as the added strength resulting from the merger of two organizations. Under the proposed arrangement, OPS would provide direct support services and assume implementation responsibilities, upon request, in national execution and strengthen national implementation or capacity-building where required.

36. The Office's mandate should clearly specify capacity-building/strengthening for national implementation as a separate task since that very important activity should be a major function in itself. The self-financing principle could encounter difficulty when personnel were rotated between OPS and UNDP. Lastly, further information should be provided on the size and source of the reserve fund to be established initially and the proposed decentralization measures, particularly with regard to procurement and finance. An indication should also be given of the added strength of OPS after the merger.

37. Mr. PONCE (Ecuador) said that his delegation shared the views expressed by preceding speakers that OPS had been a model of effectiveness. While somewhat apprehensive concerning the transfer of the Office, his delegation was aware of the possible advantages which that might have for the United Nations system. The views expressed by Denmark and Finland were very pertinent, particularly with regard to defining the role of the Governing Council and the OPS Management Board as well as personnel policy and possible financial implications. His delegation therefore awaited with great interest the further information which would be submitted in that regard. When the Governing Council took a decision on the matter, his country would offer its cooperation so that the Council could help maintain the support that the Office had been providing to developing countries.

38. Mr. DENG Zhihui (China) said that he was very pleased to see that a number of the problems of concern to Council members at the February session had been largely solved. Appropriate solutions had been found for such problems as the relationship between OPS and the Council and the maintenance of the Office's status as a semi-autonomous entity. The proposed reform would not only enhance the efficiency of OPS in providing services to recipient countries, but would also make UNDP focus its efforts on carrying out its main function as the leading central funding body in order to mobilize more financial resources and to be more responsive to the needs of developing countries with regard to multilateral technical assistance.

39. Ms. VOLKOFF (Canada) said that every one was interested in achieving the same objective: efficient and effective delivery of technical assistance with best use of available resources. Thanks to its semi-autonomous and self-financing character, OPS had an enviable record of achievement. Any reduction in that efficiency would not reflect well on the United Nations, particularly at a time when its effectiveness was regularly being examined in the press. In spite of the information provided in the two reports under consideration, her delegation felt that there were a number of questions that still required further clarification. Canada associated itself with the remarks made in that connection by Denmark on behalf of the European Community. In view of the questions raised at that meeting, there should be an opportunity for the OPS Task Force to respond to them before the Council took a decision on the matter.

40. Mr. MONROE (United States of America) said that the recommendations by the OPS Task Force with regard to the Office's mandate, governance and basic authority still did not address many of his delegation's concerns about an undertaking that it had viewed as questionable from the very beginning. Neither of the reports under consideration described exactly how the semi-autonomous and self-financing character of OPS would be achieved and maintained. Although the Office would operate as a self-financing entity, its financial soundness was contingent upon continued use by its clients. It was not clear how and under what conditions other United Nations bodies would have access to the Office.

41. His delegation remained convinced that the Programme's important central role in the United Nations development system bridging the many sectors of development must be maintained. The critical role that UNDP Resident Representatives must play as resident coordinators in managing OPS activities in the field could not be overemphasized.

42. Neither of the reports under consideration gave a clear indication of the specific governance roles of the different responsible parties. Many of the functions to be assigned to the Management Board might be more appropriately carried out by the Governing Council. Only the Council could decide what its own role would be, although further thoughts by the Secretariat in that regard were welcome. While there was a short-term plan for the Programme to provide computerized services to OPS, his delegation was very interested in knowing the long-term arrangements in that regard.

(Mr. Monroe, United States)

43. He was very concerned about the staffing arrangements described in the report of the Task Force and inquired what would happen to current staff under the existing operations and whether OPS staff would be retained as of 1 January 1994. It was his delegation's understanding that the relocation of OPS aimed to focus the Office's expertise in a central place more accessible to its users. It remained unclear how the Office's budget would be reviewed. He believed that it was the responsibility of the Council to review and approve the OPS budget. In that regard, his delegation would appreciate an explanation by both the Task Force and the Administrator of the Fifth Committee's role in the budget process. It was clearly not acceptable to have two reviews and two approval mechanisms.

44. Lastly, his delegation was very concerned about the focus of the new Department of Development, Support and Management Services as described in the report on United Nations Technical Cooperation Activities (DP/1993/39). According to paragraph 9 (a) of the report, the Department would act as an executing agency, as required, for programmes/projects relating to institutional development and human resources development. Since that was a function of the Programme, he hoped that in setting up the Department, the Council would not be establishing another UNDP within the Secretariat. All those questions needed to be answered before the proposal could be adopted.

45. Mrs. VASISHT (India) said that while her delegation fully supported all the restructuring activities under way in the United Nations in the economic and social sectors and operational areas, it felt that the semi-autonomous and self-financing character of OPS must be maintained. The current structure was still capable of enhancing the Programme's role in developing countries. Whatever arrangements were ultimately decided upon should improve or at least preserve the current character of the Office. Her delegation had serious concerns about the division of authority between the Council and the Fifth Committee with regard to budgetary matters and hoped that the Council's authority in that area would in no way be diluted. India supported the statements made by Denmark, Finland, Nepal, Canada and the United States of America and expected that the Council would be fully able to participate in taking the decision affecting the future of OPS.

46. Mr. ISSINSKY (Russian Federation) said that his delegation supported in principle the efforts of the Secretary-General to enhance the effectiveness of United Nations activities and carry out an administrative reform of the Secretariat. The proposed transfer of OPS should not have any negative impact on the effectiveness of the Office's activities. He shared the concerns expressed in that regard by a number of delegations and stressed the need to refrain from taking hasty decision in the matter so as not to impair the work of OPS. The Council should take full account of the views put forward on the matter in the report of the Advisory Committee on Administrative and Budgetary Questions (DP/1993/46).

47. Mr. AMIN-MANSOUR (Islamic Republic of Iran) stressed the need to maintain OPS as a distinct and semi-autonomous entity with a clearly defined relationship with UNDP as the major funding body for development projects. When the question of the transfer of OPS had been raised, his delegation had been concerned about maintaining the Office's effectiveness in the new Department of Development Support and Management Services (DDSMS) and the possibility of the natural growth of another OPS within UNDP in the future in view of the increased needs of developing countries which the Programme dealt with directly at the field level. It was hoped that OPS would be able to enhance its effectiveness and competitiveness under the new arrangement.

48. Mr. DRAPER (Administrator, United Nations Development Programme), replying to the points raised, said that he had taken note of the legitimate concerns of delegations and recognized that, despite the comprehensive documentation that had been prepared, there was still need for further explanations and clarification. He was confident, however, that UNDP could address the concerns of delegations and looked forward to meeting with representatives in an informal setting before any action was taken on the proposals.

49. Mr. EVERTS (Director, Office for Project Services) acknowledged, on behalf of the staff of the Office for Project Services, the compliments that had been paid to the Office. Whatever success had been achieved, however, was largely due to the Administrator himself, who had given the managerial latitude to permit the Office for Project Services to respond to the demands that had been made of it.

50. The PRESIDENT said that, if he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of a draft decision on the subjects considered.

51. It was so decided.

Document DP/1993/56

52. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished to take note of the report contained in document DP/1993/56.

53. It was so decided.

54. Mr. DRAPER (Administrator, United Nations Development Programme), in his concluding remarks, welcomed the unequivocal recognition of the value of UNDP to the cooperative development efforts of the international community. A number of delegations had stressed the comparative advantages of the Programme, which were its multisectorality, universality, neutrality, multilateralism, strong relationships with Governments and local authorities, and its wide field representation.

55. Many delegations had also endorsed the growing involvement of UNDP in providing electoral assistance and strengthening democratic institutions. UNDP only intervened in that area, however, when it had a comparative advantage over

(Mr. Draper)

other agencies of the United Nations system. Indeed, the future role of UNDP within that system was closely linked to the question of comparative advantage. In that regard, UNDP was forging links between economic and human development, on the one hand, and democracy and political stability, on the other.

56. A number of delegations had advocated a more unified approach at the country level, with UNDP taking a leading role in the coordination of the local response of the United Nations system. Most delegations had also endorsed the programme approach, national execution, and support cost arrangements, which were new tools currently being developed by UNDP.

57. The principal task of UNDP was to promote sustainable human development and, in that regard, the Human Development Report, had brought about a recognition of the role of UNDP. Some concerns had been expressed about the methodology used in compiling the human development index and the accuracy of the statistics contained in the Report. He welcomed such constructive criticism and hoped that the participation of experts and of all concerned would serve to improve the methodology. With regard to the availability and accuracy of statistics, UNDP was ready to assist Governments in preparing country-specific human development reports which would both enhance national capacity in those fields and enable national policy makers to have access to relevant human development data.

58. As for the question of operationalizing the concern of UNDP with human development, he supported the efforts of member States to speed up progress in human development through capacity-building, assistance in aid coordination at the country level, and the sharing of experiences among countries. In the countdown towards the World Summit for Social Development in 1995, many countries might wish to prepare country strategies for more people-centred development and UNDP was ready to extend support to those initiatives.

59. For its part, the concern of UNDP for sustainability had been given a powerful endorsement by the United Nations Conference on Environment and Development. In that connection, the many statements of support for the potentially important role of UNDP in helping developing countries to implement the agreements concluded at the United Nations Conference on Environment and Development, particularly in the area of capacity-building, provided concrete and timely evidence of the seriousness with which countries around the world were taking the need to strive for a more sustainable world. Later in the session, UNDP would be pleased to report on its efforts to forge stronger links with UNEP and with the Commission on Sustainable Development.

60. He welcomed the positive response to Capacity 21 and the strong support it had received from donors. Capacity 21 was not supported by only a handful of donors and was not geared to the interests of only a few recipients. The statements made during the previous few days were evidence of the global interest in and commitment to Capacity 21 as well as to the priority attached to sustainable development and the need to place greater emphasis on capacity-building. UNDP intended to ensure that Capacity 21 was fully integrated into its overall programme. Additional resources were needed,

(Mr. Draper)

however, to assist developing countries in identifying their priorities and formulating and implementing strategies for sustainable development.

61. Together with the World Bank and UNEP, UNDP also had an important role to play in the management of the Global Environment Facility (GEF). While addressing global priorities, its main rule would be to ensure that the focus was on national benefits and priorities that had been identified at the local level. GEF-funded activities would be closely coordinated with activities funded by IPFs and other sources in order to ensure cohesive support at the national level. The broad mandate of UNDP, together with its decentralized and relatively neutral approach, permitted it to work alongside national Governments to ensure that all the initiatives, funds and instruments which emerged from the UNCED process meshed together at the national level in furtherance of the same common objectives.

62. The concept of sustainability had both an ecological and an institutional dimension. In order to be sustained, human development must be rooted and nurtured in local soil. Indeed, ownership of and participation in the development process by beneficiaries was central to General Assembly resolution 44/211 and its successor resolutions. UNDP had worked steadily for the implementation of those resolutions and the major elements for their implementation were currently in place.

63. With respect to issues of programme performance and accountability, he noted the special interest which delegations had shown in evaluation in the context of the programme approach. Some delegations had warned that UNDP was spread too thinly, especially at a time when its resource base was under pressure. Others had voiced concern at the involvement of UNDP in humanitarian activities and in the HIV/AIDS pandemic. While he understood their concern and accepted that UNDP was neither alone nor necessarily the lead agency in those areas, the presence of UNDP was requested and valued by those whom it supported in those areas. The multisectoral approach of UNDP made it uniquely suited to address the social, economic, political, health and human implications of the epidemic.

64. He welcomed the support which a number of delegations had expressed for the evolving role of UNDP in humanitarian assistance. He also shared the Council's satisfaction at the recently concluded agreement between the Department of Humanitarian Affairs (DHA) and UNDP concerning the coordination of emergency humanitarian assistance and the related development continuum.

65. He shared the view that non-governmental and grass-roots organizations, which were part of the growing civil society in all parts of the world, were making increasingly important contributions to sustainable human development. Non-governmental organizations played a key complementary role to that of Governments and UNDP was well-placed to foster cooperation between Governments, NGOs and the United Nations system at the national level. The contribution of NGOs was perhaps most important as builders of locally-rooted development capacity and UNDP had been encouraged to collaborate with NGOs and community groups, particularly in the areas of poverty alleviation and sustainable development. While such cooperation could be a powerful means of engaging in

(Mr. Draper)

participatory development, genuine participation was a new and demanding process for an institution like UNDP, which had historically dealt with governmental partners. UNDP was therefore re-examining its policies and procedures with a view to improving flexibility while emphasizing efficiency and accountability in working with non-governmental partners.

66. The level of resources available to UNDP was a major cause of concern. While the quantity of resources was no substitute for quality of impact, the number of recipients had never been larger and the needs never more diverse. A minimum level of resources was absolutely necessary at the current time to maintain the country network of UNDP, to respond to new and changing calls for cooperation, to provide essential policy, administrative and accountability functions, and to give credibility to UNDP as a relevant and meaningful organization. With its current level of resources below that minimum, UNDP was in danger of losing either its universality of coverage or its credibility, or both. It was simply not possible to take on increased developmental tasks and to respond effectively to them with stagnant or reduced levels of resources.

67. Several new recipient countries had expressed their appreciation for the support which UNDP had offered to countries in transition. A number of other beneficiaries, however, in particular the very many least developed countries, had cautioned that, in responding to new demands, UNDP should not reduce the resources allocated to countries still facing long-term development challenges. He was particularly sensitive to the special needs of Africa and it was important to safeguard the ability of UNDP to provide support of an appropriate type and at an appropriate level for the African continent.

68. He wished, finally, to thank all those speakers who had been kind enough to thank him for his seven years of service with UNDP and to extend their good wishes for the future. It was a moving and proud experience to have received the appreciation of such a wonderfully diverse group.

69. The PRESIDENT said that the Council had thus concluded its debate on the annual report and programme-level activities. If he heard no objection, he would take it that the Council agreed that the Drafting Group should begin the elaboration of draft decisions on the relevant subjects touched upon under that item.

70. It was so decided.

The meeting rose at 1.05 p.m.

UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/1993/SR.23
21 September 1993

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Fortieth session

SUMMARY RECORD OF THE 23rd MEETING

Held at Headquarters, New York,
on Thursday, 10 June 1993, at 3 p.m.

President: Mr. HADID (Algeria)

CONTENTS

Other matters (continued)

(b) Proposal concerning location of United Nations Development Programme and United Nations Population Fund headquarters

Other funds and programmes (continued)

(c) United Nations Sudano-Sahelian Office

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Office of Conference Services, room DC2-794, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

The meeting was called to order at 3.15 p.m.

OTHER MATTERS (continued)

(b) PROPOSAL CONCERNING LOCATION OF UNITED NATIONS DEVELOPMENT PROGRAMME AND UNITED NATIONS POPULATION FUND HEADQUARTERS (continued) (DP/1993/55 and Add.1-3)

1. Mr. GRAISSE (Secretary of the Council), introducing the report of the Administrator (DP/1993/55 and Add.1-3), said that following the suspension of the forty-seventh session of the General Assembly, the Secretary-General had sent all Governments a note asking for their views on the potential impact for the United Nations system of moving the United Nations Development Programme (UNDP) and the United Nations Population Programme (UNFPA) to Bonn. Of the 46 replies received from Member States, 41 indicated negative implications of relocation, 3 indicated positive implications, and 2 indicated that it was too early to give a definitive response.

2. A questionnaire on the logistical and related financial, administrative and representational implications for Member States of a relocation had been prepared in cooperation with Germany and the United States and been distributed to all Member States. Of the responses received from Member States 59 referred only to the disadvantages of a relocation, 4 referred only to advantages, 5 indicated both advantages and disadvantages, and 8 were neutral.

3. The examination of all programme-related, budgetary, legal and administrative implications of the offer, conducted by units of the United Nations Secretariat and of UNDP and UNFPA, concluded that while there would be considerable transition costs a move to Bonn could result in savings in recurrent expenditure.

4. The information requested by the Governing Council had been provided in a factual and neutral manner and no UNDP or UNFPA position regarding the relocation had been advocated in the report.

5. Mr. KURTH (Germany) said that, although a number of points had not been fully clarified, the working group had found that Bonn was an appropriate location for hosting international organizations such as UNDP and UNFPA. Housing, infrastructure and other facilities there were appropriate, and - because premises would be provided free of rent and major maintenance operations would be reimbursed - a reduction in recurrent expenditure of between $10 million to $14 million per year was possible. It was more difficult to draw reliable conclusions from the questionnaire on the logistical and related financial, administrative and representational implications of a relocation for Member States. While a large majority of countries saw only disadvantages for themselves, more than half of the replies received came from small island States which would have logistical and representational difficulties if the relocation took place. Furthermore, less than half of the membership had replied to the questionnaire.

6. His country was of the opinion that a relocation of UNDP and UNFPA to Bonn would not hamper efforts to restructure the United Nations, and might even contribute to strengthening the efficiency and effectiveness of operational

(Mr. Kurth, Germany)

activities for development. The proposal had been made because it was thought to be attractive to a majority of Member States and because his country wished to make a constructive contribution to reform efforts. Since a number of issues needed further clarification, he suggested that the subject be kept on the agenda for the following year.

7. Mr. MARKS (United States of America) said that while his Government appreciated Germany's generosity and strong commitment to the United Nations it believed that UNDP, UNFPA and the United Nations Development Fund for Women (UNIFEM) should remain headquartered in New York City. That position was consistent with the Secretary-General's efforts to consolidate United Nations activities. The close proximity of international and regional financial institutions had produced a synergetic effect that would be lost if the entities concerned were to disperse. His Government was concerned about the burden such a move would place on other Governments, particularly those of developing countries. The work of the three entities was too important to be interrupted during the move and the resettlement process - a period estimated to be at least one year. Lastly, all institutions needed a centre of gravity, and that centre had been well established in New York City for the United Nations system and any attempt to disperse it would be dysfunctional.

8. Ms. LØJ (Observer for Denmark), supported by Mr. MACHIN (United Kingdom), Ms. KNUTSON (Canada), Mr. DENG Zhihui (China), Mr. ROHNER (Switzerland), Mr. LUNDBORG (Sweden), Mr. ESCURE (France), Mr. FONDI (Italy) and Mr. VAN LANDUYT (Belgium), said that Germany's proposal was an expression of its dedication and increased involvement in United Nations development activities and deserved serious consideration. While the proposal would have positive effects on the administrative budget, it should not be considered on the basis of cost-effectiveness alone, but also within the framework of the discussions on the reform of the United Nations system. Furthermore, given the concerns raised by Member States in connection with the relocation, her delegation was of the view that it would be prudent to postpone a decision on the offer in order to allow sufficient time for consideration of all the issues involved.

9. Mr. SEED (New Zealand) said that the position of the majority of those United Nations Members which had replied to the questionnaire was clear from the documents before the Council, and he believed that their reservations about the relocation were shared by a majority of the membership as a whole.

10. His delegation believed that relocation was inconsistent with efforts to streamline and coordinate the United Nations system, would place an additional and unacceptable burden on developing and small developed countries, and would cause significant disruption for the entities concerned. It would also have negative financial implications in the short and medium term, and would irreparably damage the synergetic relationship which derived from the proximity of UNDP and UNFPA to the United Nations economic and social departments and the Bretton Woods institutions. The move would do nothing to promote greater efficiency and economy and would probably result in a marked increased in non-resident accreditation to UNDP and UNFPA, which would detract from the frequency and effectiveness of liaison with UNDP. Given the increasing complexity of the development mandate and the current decline in resources, all efforts should be focused on core issues. It would therefore be prudent to refrain from further consideration of the relocation offer.

11. Mr. DIAZ-AGUILERA (Observer for Venezuela) said that, while it appreciated the generosity of the offer made by the German Government, his delegation agreed with the objections contained in the replies to the questionnaire. Any change in the headquarters of UNDP and UNFPA would make access to them difficult for the international community, particularly those countries with more limited resources. It was more convenient and less expensive to maintain diplomatic personnel in New York, and the headquarters of UNDP and UNFPA should remain there. However, his delegation did not oppose the proposal to postpone taking a decision on the matter.

12. Mr. COGHLAN (Observer for Australia) said that his delegation was unable to support the relocation of UNDP and UNFPA headquarters, as it had pointed out in its reply to the questionnaire. It supported the contention by the Pacific island countries that they would not be in a position to establish and maintain representation in Bonn, as well as in New York. Any further dispersal of the United Nations system would not be beneficial to its operational efficiency.

OTHER FUNDS AND PROGRAMMES (continued)

(c) UNITED NATIONS SUDANO-SAHELIAN OFFICE (DP/1993/43)

13. Mr. BRANNER (Director, United Nations Sudano-Sahelian Office), introducing the report of the Administrator on the activities of the United Nations Sudano-Sahelian Office (UNSO) (DP/1993/43), said that in recent years UNSO had placed special emphasis on providing assistance in the planning, coordination and monitoring of activities related to the sound management of natural resources, so as to ensure that desertification control activities were part of the dynamic process of establishing strategic frameworks for intervention. Assistance had been given to African countries, particularly in the Sudano-Sahelian region, in the framework of the preparatory process for the United Nations Conference on Environment and Development (UNCED). That assistance had helped the African countries develop and harmonize their contribution to the Conference, which had been vital for the drawing-up of chapter 12 of Agenda 21, on desertification and drought. The experience acquired would be useful for the follow-up to the Conference, with particular reference to the formulation of an international convention on desertification. In the light of the decisions reached in Rio, a review had been carried out of the functions and areas of concentration of UNSO, the conclusions of which were contained in the report. In addition, UNDP planned to strengthen the functions of UNSO as the body responsible for supplying technical support and acting as a focal point for desertification. Placing UNSO within the Bureau for Programme Policy and Evaluation had strengthened collaboration between the different units within UNDP headquarters and had encouraged complementarity and harmonization of sustainable development measures.

14. The joint venture agreement between UNDP and the United Nations Environment Programme (UNEP) to support the implementation of the World Plan of Action to Control Desertification in the Sudano-Sahelian region was one of the best examples of active cooperation between the two organizations. In 1991, the UNEP Governing Council had decided to double its programme support for UNSO in the period 1992-1993 and had recently confirmed that decision for the next budgetary period. He hoped that the UNDP Governing Council would consider contributing an equal amount to the joint venture.

(Mr. Branner)

15. In response to General Assembly resolution 47/188 on the establishment of an intergovernmental negotiating committee for the elaboration of an international convention to combat desertification, UNSO had established a programme of assistance, which included technical and financial support at national level to ensure effective participation by Sudano-Sahelian countries in the negotiating sessions, promotion and financial support at subregional and regional level for the holding of consultation meetings and assistance in the preparation of working documents. In the endeavour to implement the strategies contained in chapter 12 of Agenda 21, a fundamental change of approach was needed, with greater emphasis on protecting and improving the livelihoods of the inhabitants of countries prone to drought and desertification and meeting their basic needs, as a way of breaking the nexus between poverty and land degradation. The convention could serve as an instrument for fostering greater national, regional and international commitment, actions and cooperation.

16. Despite the renewed attention focused on drought and desertification as a result of the Rio decisions and the proposed international convention, the resources allocated to the problem had continued to decrease. The current negotiations on the convention seemed to have led to a "wait-and-see" approach, which was being used to justify postponement of concrete measures to implement chapter 12 of Agenda 21. There had been little response to the appeal made in resolution 47/188 for additional resources to enable the Sudano-Sahelian countries to participate effectively in the negotiations. The situation was worrying both for the countries concerned and for the international community as a whole. The physical and human impact of desertification knew no frontiers and, unless timely action was taken, the financial and human costs would be enormous.

17. Mr. NISSEN (Norway), speaking on behalf of the Nordic countries, welcomed the recent, gradual shift in the role of UNSO from support for operational projects for desertification control measures to increased cooperation with Governments in the planning and coordination of natural resources management, and its assistance, in the UNCED process, in the preparation of national reports and the formulation of an African common position.

18. As to the role of UNSO with regard to desertification control in the follow-up to the Conference on Environment and Development, there was a growing realization that the issues of drought and desertification should be included as an important aspect of the overall management of natural resources. The Conference had encouraged the move away from direct operational support for specific desertification control measures towards increased emphasis on assistance for capacity-building and long-term planning of natural resources management, including dryland management, and had contributed to stronger links between environment and development, particularly by underlining the need for capacity-building and for the strengthening of national institutions for natural resources management.

19. The current economic situation in most donor countries and the reduction in contributions for certain development-cooperation activities underlined the need to rationalize the work of the various United Nations organizations active in the field of desertification control and natural resources management and to seek the most cost-effective way of organizing their activities. The resource base for UNSO was very weak, and a more stable financing mechanism for the work

(Mr. Nissen, Norway)

of the United Nations relating to the issues of drought and desertification must be found. United Nations assistance in improving the management of natural resources in dryland areas should be given higher priority by being placed within the context of sustainable development.

20. The Nordic countries supported proposals for a reorientation of UNSO's main areas of concentration. UNSO should focus on providing support with respect to policy and planning issues, simultaneously enhancing national and regional capacity in areas that had a direct impact on drought and desertification; should have a reduced involvement in direct project management; and, most important of all, should play, primarily, an advisory role, and provide technical and substantive backstopping on aspects of dryland management of environment and development projects funded by various sources within UNDP.

21. An administrative rearrangement of the organizational structure of UNSO must be discussed. UNSO should function as a focal point on issues concerning drought and desertification, and service the UNDP system. Its work would be strengthened by closer integration in the general work of UNDP on environment and development, and it would be more appropriately located as a technical unit within the programme support units of the UNDP Bureau for Programme Policy and Evaluation, without direct responsibility for project management. The proposal would not have the effect of closing down UNSO or giving less priority to the needs of recipient countries for assistance; it would transform UNSO from being a separate fund with its own project portfolio to serving as a technical, advisory and backstopping unit for the rest of the UNDP system on issues related to drought and desertification.

22. By means of a combination of the technical expertise of UNSO with the growing role of UNDP in the field of environment and development, programmes targeted to mitigate drought and desertification would be dealt with in a wider context and be supported by UNDP's general work to promote an enabling institutional and legal environment for sustainable development. The role of UNSO in sensitization and advocacy would have greater impact and reach, and the integration of UNSO in the UNDP system would lead to more cost-effective management of scarce resources for technical assistance. In such a rearrangement, it was vitally important to preserve the technical knowledge of UNSO on dryland management and to continue to build on its long experience in cooperating with regional and subregional organizations, as well as to maintain its capacity to support countries affected by drought and desertification in participating in international negotiations. Integration of the technical staff of UNSO within the programme support units of the UNDP Bureau for Programme Policy and Evaluation would be an important step towards securing a more stable financing mechanism for the employment of UNSO technical advisers. The Nordic countries believed that the cost of UNSO technical staff should be absorbed by the regular UNDP budget.

23. Resources for dryland management activities should be channelled through UNDP's regular programme, through UNDP-administered funds like the United Nations Capital Development Fund, or attained through extrabudgetary programmes like Capacity 21. The strengthening of local, national and regional capacities to manage natural resources in dryland areas, with the technical backstopping of UNSO, was a natural element of Capacity 21, and so the administrative rearrangement should not prevent the United Nations system from responding to

(Mr. Nissen, Norway)

the particular needs of the countries affected by drought and desertification. The rearrangement would, however, relieve UNSO from direct management responsibilities and provide it with the opportunity to consolidate its major advisory role. UNSO's tasks should be programme development, technical advice and backstopping for UNDP's core programme, as well as all UNDP-administered funds and larger extrabudgetary programmes such as Capacity 21. It should also be responsible for facilitating coordination and advocacy, and assist in encouraging donors to mobilize resources through UNDP for improved dryland management. It would also have an important role in providing technical support in connection with the negotiating process for the elaboration of an international convention to combat desertification, and in mobilizing resources for adequate participation in that process by the Sudano-Sahelian countries.

24. Mr. TOURE (Observer for Guinea-Bissau) said that Guinea-Bissau, like all developing countries, confronted acute problems relating to the environment and economic development. Despite the great efforts it was making to lay the foundations of sustained development, the results were often limited because of the obstacles encountered by less developed countries in general and African countries in particular. His country was aware that economic recovery and development depended above all on policies and measures implemented at the national level. However, sustainable development could not be achieved unless equity was achieved in the international economic system.

25. His delegation expressed appreciation for the valuable assistance provided to the Sahelian States in their efforts to protect and restore the environment and achieve food security and sustainable development. The subregion, consisting of nine young nations, was engaged in a difficult struggle in the face of a socio-ecological and economic crisis which had raged for nearly two decades. UNSO had helped the subregion overcome difficult challenges and define and implement strategies for better development, and had provided substantial financial resources and technical assistance.

26. Drawing on its experience, UNSO had adapted its policies and strategies and improved its approaches and programmes. During the last decade of the twentieth century, UNSO needed to help the countries of the Sahel develop programmes for research on climate and agrometeorological forecasts; establish programmes for the long-term management of natural resources and monitoring of desertification; develop the agriculture and livestock sector and improve trade while ensuring the development of local grain and other products; promote the development of the subregion through economic integration bodies; and, at the world level, support efforts to protect the common environment.

27. The projects and programmes would be implemented on the basis of an approach which would take into account all sociopolitical, cultural and economic factors and bring together the forces of the towns and the countryside. A synergy of public and private sectors was needed and a partnership between rural populations, the State and development partners.

28. Mr. AKPLOGAN (Benin) said that UNSO was contributing very positively to the efforts of the 22 countries of the region in combating drought and desertification. Its support had made it possible to consolidate local capacities and improve productivity through the integrated management of natural resources. It had also assisted in the preparatory process for the United

(Mr. Akplogan, Benin)

Nations Conference on Environment and Development, and had an important role to play in following up the implementation of the decisions taken and the recommendations made at the Conference. It was also assisting in the process of negotiating an international convention to combat desertification. UNSO's functions and competence should therefore be strengthened; at the same time, it needed to be given greater financial support.

29. Mr. MAIGA (Observer for Mali) said that for more than two decades Mali had suffered from the disastrous effects of drought and desertification. The efforts to combat that scourge at the national level were receiving support from UNSO. It was assisting in road maintenance, the management of renewable natural resources, and the formulation of a national programme to combat desertification. While the financial amounts committed were modest, they had been used for concrete action at the field level.

30. The United Nations Conference on Environment and Development had recognized in Agenda 21 that special consideration needed to be given to the preparation of an international convention to combat desertification. The General Assembly, in resolution 47/188, called on UNSO to assist African countries in the negotiating process. Mali therefore hoped that UNSO's financial and technical capacities would be strengthened, particularly in view of its flexibility, relatively small size and concentration on the questions of environment and development. His delegation hoped that donors would continue to provide substantial technical and financial support to UNSO so as to lay the foundations of lasting development in the countries covered by UNSO's mandate.

31. Mr. MOTSWAGAE (Observer for Botswana) said that UNSO's proposals on ways and means of combating drought and desertification were very compatible with the thinking of his Government. Botswana supported the proposal that UNSO should help identify needs relating to capacity-building for sound natural resources management in arid and semi-arid regions of Africa.

32. At the Conference on Environment and Development, Botswana had called on the United Nations system to focus more on drought and desertification and to extend UNSO's mandate to cover countries in southern Africa; it welcomed the Conference's recommendation that UNSO's experience be used to assist countries in Africa affected by drought and desertification.

33. UNSO performed excellent work in helping the Sudano-Sahelian countries draw up projects to combat drought and desertification and coordinating the management of natural resources at the field level. It also provided excellent advisory services to those countries.

34. His delegation would make a specific proposal that UNSO's mandate be extended to cover the countries of southern Africa, in the context of the international convention to combat desertification.

35. Mrs. MAIKARFI (Observer for Niger) said that drought and desertification were a major problem for Niger, which was one of the 22 countries which had received assistance from UNSO over the past two decades. UNSO had assisted in formulating a national plan to combat desertification, in 1985, with the goal of halting and reversing the desertification process, and had financed many projects. UNSO had also assisted in preparations for the United Nations

(Mr. Maikarfi, Observer, Niger)

Conference on Environment and Development; as a result, the Sahelian countries had been able to make the international community aware of the importance and seriousness of drought and desertification in the development process and the need to accord special and urgent attention to them. Her delegation therefore joined others in appealing for additional resources for UNSO to enable it to preserve its identity at the organizational level and play its full role under chapter 12 of Agenda 21. It hoped that the Council would reaffirm the uniqueness of UNSO and strengthen its resources.

36. Mr. NEBIE (Observer for Burkina Faso) said that the mobilization of a number of countries, particularly African countries, at the Conference on Environment and Development to urge the formulation of an international convention to combat desertification had been an initial response to a scourge which seriously jeopardized development efforts. His delegation was gratified that the intergovernmental negotiating committee had begun its work.

37. After the Conference, which had endorsed the indissoluble link between environment and development, UNSO's mandate had been reaffirmed, as indicated in Agenda 21 and in the report of the Administrator (DP/1993/43). His delegation appreciated the record of activities carried out in the field by UNSO and was therefore deeply concerned about the decline in resources, precisely at a time when needs were increasing. Additional resources were needed for the implementation of Agenda 21. Moreover, most of the countries served by UNSO were least developed countries, which required special attention from the international community. UNSO provided invaluable support for those countries. His delegation appealed to traditional and new donors to increase the level of their contributions to UNSO. His Government, for its part, would continue its efforts in the subregion to combat desertification. It also hoped that UNSO would further strengthen its capacity-building role.

38. Ms. COLEMAN-ADEBAYO (United States of America) said that UNSO had an impressive record of interventions in carefully chosen projects; the United States welcomed its emphasis on assisting recipient countries in establishing a country-wide framework for combating desertification as well as its efforts to strengthen institutional frameworks within countries suffering from desertification and to monitor the process of desertification through data collection. It also acknowledged UNSO's pioneering efforts in local capacity-building within resource-dependent communities.

39. Increasingly, the desertification struggle would be shaped by the national environmental action planning process, the outcome of the international convention to combat desertification and the desire of African representatives to take the lead in initiatives affecting Africa. Her delegation hoped that combination of processes would produce substantially improved coordination and cooperation in all areas of endeavour to combat desertification, particularly at the community and national levels. UNSO must determine the best way of bringing its experience and expertise into that cooperative framework. The report (DP/1993/43) was a good start but did not go far enough. UNSO must be able to show how its strategic frameworks fitted into the national environmental action planning process, and articulate the relationship its ongoing operational activities would have with other organizations involved in related activities.

(Ms. Coleman-Adebayo, United States)

40. The future of UNSO depended on its ability to change with the times. Capacity 21 would offer unprecedented challenges and opportunities for it to assume an appropriate role in the operationalization of the project. Resource-dependent communities in the Sudano-Sahelian region relied on UNSO for assistance and leadership in combating desertification. Close collaboration between UNDP and UNSO would be crucial for the project's success. Her delegation would appreciate a report from UNSO at the next session of the Council outlining how UNSO had coordinated and participated in the implementation of Capacity 21.

41. Mr. ESCURE (France) said that the Sudano-Sahelian region was one which needed a great deal of support from the international community, which was why his country directed a significant part of its development aid to it. UNSO had been called upon to play a crucial role in the struggle against desertification and it was important to consider the future of that programme, and how it could be adapted to a changing economic context.

42. The representative of Norway, speaking on behalf of the Nordic countries, had indicated the way in which UNSO could contribute in the future to the struggle against drought and desertification, and UNSO's integration into a larger structure clearly had much to recommend it. There was a need to coordinate and give priority to the activities of different agencies dealing with the same subject, and it was right that UNSO should relinquish responsibility for direct management of projects in favour of assuming the role of assessor. However, it was very important to preserve UNSO's identity; experience had shown that with the expertise it had accumulated UNSO as a whole was much more than the sum of its parts, and it would be risky to split it up.

43. Ms. KNUTSON (Canada) shared many of the sentiments expressed by the representative of Norway on behalf of the Nordic countries. UNSO played a modest role in the larger environmental context, compared with other agencies and offices, and in its future role it would have to integrate itself with others and evolve in accordance with the various adjustments and the division of labour undertaken by them. Many representatives of countries in the region had spoken positively of UNSO, and had stressed the importance of its role in the preparatory process leading up to the Conference on Environment and Development, and she was confident that it would be able to integrate itself successfully in the broader context while preserving its particular ability to support national capacity for addressing the problems of drought and desertification.

44. Mr. MOKOTJO (Lesotho) noted that chapter 38 of Agenda 21 required the role of UNSO, operating under the umbrella of UNDP and with the support of UNEP, to be strengthened so that UNSO could assume an appropriate major advisory role and participate effectively in the implementation of Agenda 21 provisions related to combating drought and desertification, and that the experience gained be used by all other countries affected by drought and desertification, in particular those in Africa. The General Assembly, in its resolution 47/188, had established an intergovernmental negotiating committee for the elaboration of an international convention to combat desertification in those countries experiencing serious drought and/or desertification, particularly in Africa.

(Mr. Mokotjo, Lesotho)

45. Countries of southern Africa, which were emerging from a devastating, two-year drought, naturally had a strong interest in the elaboration of such a convention, and it was the strong belief of his delegation that UNSO's mandate should clearly reflect the provisions of chapter 38 of Agenda 21, and that its financial resources should be increased in line with the recommendations made by the Administrator in his report. Partial fulfilment of the support package for UNSO would not lead to the achievements expected under Agenda 21.

46. Mr. TWITE (United Kingdom) said that his country in general approved of the activities of UNSO in supporting programmes to combat desertification in Africa, but considered that it would be necessary to review UNSO's role in the light of the international convention to combat desertification and any commitments and institutional arrangements it might contain. He had noted with interest the proposals made by Norway on behalf of the Nordic countries with regard to institutional rearrangements, but, while sympathizing with the motives behind them, and agreeing on the need for integration within the system, he considered that the proposals might be premature and should be examined more closely at a later stage.

47. His Government fully endorsed the emphasis placed by the Administrator's report on support for local management of resources and village-based activities; the principal role of UNSO should be to support national programmes which focused on action at the local level, and by that means to develop the necessary local capacity. However, the report did not discuss sufficiently the reasons for the disappointing results achieved by Sudano-Sahelian Governments in combating the effects of drought and desertification, to which it referred in paragraph 36. It was necessary to ask why many programmes of action in Africa had not worked, and to consider the extent to which the nature of external support to national programmes, including that by agencies of the United Nations, was related to that failure.

48. His Government welcomed the proposal for reduced operational activity, made in paragraph 40 of the Administrator's report. The role of UNSO should be to support implementation of effective national plans of action and to press for them to include policy proposals by national Governments as much as technical programmes. It should also be to facilitate the use by national Governments of existing resource flows, and UNSO should not be attempting to set up rival sources of funds in support of efforts to combat desertification; the bulk of the resources devoted to such programmes of action should come from funds available to the affected countries themselves.

49. He asked what exactly was being proposed by the reference in paragraph 34 of the Administrator's report to the use of the experience gained by UNSO in the Sudano-Sahelian region in "all other affected countries", and in what way that experience would be made available, for example, to countries in Asia.

50. The new role of UNSO after the Conference on Environment and Development should not require more funds, since UNSO was mandated to be an advisory body, rather than an operational body with projects of its own. His Government would encourage UNSO to follow the UNIFEM model in conducting advisory and catalytic work in its specialized field.

51. Mr. OLANIYAN (Observer for the Organization of African Unity) said that the important role of UNSO in combating drought and desertification should be strengthened, and its financial base increased, so that it could more effectively enhance the capacities of the Sudano-Sahelian countries themselves to deal with the problems of drought and desertification.

52. Mr. BRANNER (Director, UNSO), replying to comments made during the debate, said there were no proposals at present to extend the mandate of UNSO beyond the Sudano-Sahelian countries, which would require more personnel and financial resources, but the experience and capacity of UNSO should be made as widely available as possible.

53. It would be difficult at the current stage to respond in detail to the proposal made by the representative of Norway, on behalf of the Nordic countries, until it was clear how the various aspects of the struggle to combat drought and desertification would be rearranged at the international level upon conclusion of negotiations for the elaboration of an international convention.

54. He noted the requests made by the representatives of Lesotho and Botswana for the capacities of UNSO to be placed at their disposal, and the request made by the representative of the United States with regard to Capacity 21, which would be acted upon.

The meeting rose at 5.50 p.m.

UNITED
NATIONS

DP

Governing Council
of the
United Nations
Development Programme

Distr.
GENERAL

DP/1993/SR.24
22 September 1993

ORIGINAL: ENGLISH

GOVERNING COUNCIL

Fortieth session

SUMMARY RECORD OF THE 24th MEETING

Held at Headquarters, New York,
on Friday, 11 June 1993, at 10 a.m.

President: Mr. HADID (Algeria)

CONTENTS

Programme planning and implementation

(d) National capacity-building

(h) Issues relating to programme quality, impact, sustainability, efficiency and programme/project audits

This record is subject to correction.

Corrections should be submitted in one of the working languages. They should be set forth in a memorandum and also incorporated in a copy of the record. They should be sent within one week of the date of this document to the Chief, Official Records Editing Section, Office of Conference Services, room DC2-794, 2 United Nations Plaza.

Any corrections to the records of the meetings of this session will be consolidated in a single corrigendum, to be issued shortly after the end of the session.

The meeting was called to order at 10.40 a.m.

PROGRAMME PLANNING AND IMPLEMENTATION (DP/1993/66)

(d) NATIONAL CAPACITY-BUILDING (DP/1993/23)

1. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation), introducing the report of the Administrator on national capacity-building (DP/1993/23), said that it offered a clear and comprehensive definition of the term "capacity-building", indicated the elements of a coherent strategy for national capacity-building, and identified the key areas in which UNDP focused its support for national capacity-building.

2. Capacity-building was a broad concept which went beyond institution-building and included the policy framework within which organizations functioned. The three elements in the definition of capacity-building were human resource development, the use of trained people in public and private sector organizations, and the rules, norms and expectations governing relations among people and organizations. In order to ensure the most effective use of technical cooperation resources in support of capacity-building it was important to address such questions as the relevance of activities to core national development priorities, the extent to which capacity-building contributed to the emergence of pluralism, whether the capacities that were being developed were sustainable in economic, financial and environmental terms, and whether there was an effective mechanism for coordinating external assistance and integrating it with national capacity-building efforts.

3. The framework for national capacity-building was provided by national systems of planning and management. The key capacities needed for economic and social development were: the capacity to define and manage the long term, including the participation of diverse social forces in the process; the capacity to formulate development policies and programmes; and the capacity to implement, monitor and evaluate development policies and programmes. The building blocks of UNDP support for those key capacities included the programme approach, national execution, and the aid coordination process. The successor arrangements for agency support costs would also facilitate the involvement of United Nations agencies in the development of sectoral policy and programme frameworks.

4. In formulating UNDP programme support, a key task was the assessment of existing national capacities and the identification of specific capacity-building targets. The support of UNDP for national capacity-building would focus increasingly on the upstream level of programme formulation and implementation. The programme approach to capacity-building would ensure that the programme support of UNDP was consistent with the objectives of national programmes.

5. Ms. COLEMAN-ADEBAYO (United States of America) said that the report of the Administrator (DP/1993/23) outlined an ambitious strategy to assist developing countries in achieving self-sufficiency in the management of their environment and natural resources. The United States Government viewed the Earth Summit as an extraordinary opportunity to expand its perspectives on global issues and to

(Ms. Coleman-Adebayo, United States)

strengthen its cooperation with multilateral and bilateral institutions. Indeed, its participation in the Capacity 21 project was an extension of its ongoing commitment to the process begun at the United Nations Conference on Environment and Development.

6. The report had taken into account most of the major concerns raised by her delegation. Those concerns included the internal capacity of UNDP to meet its growing environmental programme commitments, the need to delineate the goals and scope of the project, the involvement of women in the Capacity 21 project, the participation of NGOs and indigenous communities, project implementation schedules, and coordination with other specialized agencies.

7. Unfortunately, however, it contained no reference to the Capacity 21 advisory board, which had been proposed in both the initial Capacity 21 document and the annual report of the Administrator. The advisory board, composed of representatives of both donor and recipient Governments, NGOs, academia and other concerned parties would serve as a vehicle for formalizing the involvement of all participating groups in the ongoing dialogue on the development of the Capacity 21 project. Her delegation urged UNDP to reinstate that component of the project.

8. While the report provided a clear set of criteria for selecting programme areas, it had failed to define environmental parameters for determining which environmental risk factors would be addressed in the targeted country. Decision-making concerning environmental problems involved a wide range of inputs, of which one of the most important was comparative quantitative risk assessment. While it was often possible to estimate the risk to individuals and populations posed by different environmental factors, comparison of those estimates was involved and complex. Without such estimates, however, comparison between different environmental problems was very difficult and was based, at best, on value judgements or expediency. Efforts should therefore be made to estimate the relative risk for populations exposed to different environmental hazards. Comparative risk assessment could be an invaluable tool for prioritizing in-country environmental agendas.

9. Her delegation would also welcome information on the plans to revise the handbook and guidelines for environmental management and sustainable development, in the light of the country-level training and evaluation which UNDP had conducted over the previous two years.

10. Mr. ROHNER (Switzerland) observed that, while the report of the Administrator (DP/1993/23) had presented capacity-building in a way that provided food for thought, the concept remained somewhat academic. He was confident, however, that it would be further elucidated in other forums. UNDP had a central role to play in capacity-building in developing countries; unfortunately, however, the report did not place sufficient emphasis on the political realities within which UNDP must operate.

11. Capacity-building, an area in which UNDP enjoyed certain comparative advantages over other agencies of the United Nations system, was no easy task

(Mr. Rohner, Switzerland)

and involved certain risks. It was especially difficult to determine strategies for national development, since a multisectoral and multidisciplinary approach was needed. UNDP must therefore adopt a more modest step-by-step approach

towards the achievement of its long-term objectives. He would welcome further information on the concrete experiences of UNDP in the area of the elaboration of country strategies for capacity-building. It would be particularly useful to have and early evaluation by UNDP of its activities undertaken within the framework of the African Capacity-building Initiative. UNDP should, in general, take advantage of the instruments at its disposal, such as national technical cooperation assessment and programmes (NATCAPs), country programme reviews, and the Management Development Programme (MDP) to take stock of its experiences in capacity-building.

12. Ms. SUOMALAINEN (Finland), speaking on behalf of the Nordic countries, said that national capacity-building was one of the key elements of the work of UNDP. It was both the key to sustainable development and the rationale for technical assistance.

13. In addressing the subject of people's participation, the Human Development Report 1993 took up an issue which was linked to national capacity-building. The issue of empowerment should be considered in light of the definition contained in the report of the Administrator (DP/1993/23) of the three components of capacity for development, i.e. education and training of managers, use of trained people in public and private organizations and development culture. The report identified two levels of decision-making: the national level and the individual/community level. For a cross-sectoral development organization like UNDP, that had implications both for the activities themselves and for the management of those activities.

14. While noting with satisfaction that the issues of capacity-building and the impact of capacity-building efforts were to be the subject of further study, in cooperation with the World Bank, capacity-building work in the field went on. The policy dialogue with the recipient Governments should be continued and strengthened, moulded and changed according to the results and experiences gained.

15. Mrs. CORVALAN (Observer for Chile) said that Chile valued its programme of cooperation with UNDP in areas which had been selected by the country and which were consistent with Chile's national development strategy. Chile was a developing country with a modern society and, at the same time, significant levels of poverty in certain sectors. It therefore welcomed the assistance of UNDP in achieving its goals of development with equity. UNDP support would be particularly welcome in national capacity-building aimed at the development of human resources and the strengthening of institutions and decision-making machinery.

16. The country had recently entered a new phase of democracy and had launched a programme of decentralization by which it sought to increase popular participation in its development process. UNDP could play a significant role in that decentralization process. Her delegation was therefore concerned at the decline in the level of resources allocated to Chile during the current

(Mrs. Corvalan, Observer, Chile)

programming cycle and hoped that those resources would be increased in the following programming cycle in order to help the country achieve its goals of decentralization and democracy.

17. The Government of Chile was prepared to work with its foreign partners, including UNDP; those foreign partners would receive the collaboration of a broad range of local sectors, including community groups, academic circles, the productive sector and non-governmental organizations. Her delegation hoped that that process of cooperation would build on existing national capacities in Chile in furtherance of the long-term objective of sustainable development.

18. Mr. ELLIS (United Kingdom) said that capacity-building was at the core of the activities of UNDP. The issues raised in the report of the Administrator (DP/1993/23) should therefore be discussed more fully in both formal and informal meetings. To attempt to address the shortcomings recognized in the report by widening the scope of capacity-building would create other, more complex problems. It was difficult to imagine, for example, how UNDP could resolve such complex problems as the emigration of skills from developing countries. It would first have to determine whether to opt for public sector reform or whether it should spread the risks so that capacity did not depend on only a small number of people. Even so, however, the problem of the open international labour market would remain.

19. He noted with satisfaction the emphasis placed by UNDP on upstream activities. For that approach to be successful, however, the strategies developed by UNDP should take into account the history of development in the recipient country over several cycles.

20. Mr. ACHA (Peru) said that Peru was creating the framework for national capacity-building, particularly in the field of the environment and sustainable development. It was in the process of establishing a national environmental agency which would seek to promote the objectives of Agenda 21. The agency would provide for participation by all social forces, especially non-governmental organizations, which were well represented in Peru and had participated in the preparation of its national programme under Agenda 21. He would welcome more information on the specific modalities of UNDP technical assistance for the implementation of Peru's national strategy in the field of the environment and sustainable development.

21. Mr. SHARMA (India) said that the greatest challenge his country faced in its national capacity-building programmes was the tendency of specialists to emigrate once they had received their training. While initiatives such as the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) programme had been useful, a more comprehensive effort was required.

22. Ms. VOLKOFF (Canada) said that she viewed capacity-building for sustainable development as a dynamic, particpatory process having a particular political, social and economic context in each country; therefore, assessments of the performance of individual capacity-building programmes would require flexible evaluation criteria.

(Ms. Volkoff, Canada)

23. Her delegation believed that there were a number of respects in which the execution of existing capacity-building programmes had departed from the conceptual ideal. First, to date, UNDP programming for national capacity-building had focused on support for governments to the exclusion of non-governmental organizations, the private sector and civil society. Second, while aid coordination was an essential component of national capacity-building, resource flows for technical cooperation were still being allocated in discrete packages for individual projects or through other piecemeal arrangements. Third, capacity-building required the acquisition by people of skills and participation in an organization committed to development goals; in reality, however, people were leaving development organizations after having acquired those skills. Lastly, national capacity-building was a long-term process involving policy discussions, consultations, analysis, monitoring and feedback. In practice, however, unforeseen events such as changes of personnel were creating uncertainty that frustrated efforts at long-term planning. Her delegation had been reassured to read in paragraph 39 of the Administrator's report (DP/1993/23) that a country strategy document had been designed to address some of those problems.

24. In her view, explicit country strategies and UNDP support for sustainable human development were the foundation upon which national capacity-building rested. UNDP was ideally placed to extend such support, especially in the areas of modern information management systems. In addition, UNDP could provide benchmarks for quantitative and qualitative evaluation of programme performance. She hoped that UNDP would adopt the evaluation benchmarks established by the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD).

25. Mr. HORIGUCHI (Japan) said that there was a need for a more coherent national capacity-building strategy at UNDP and elsewhere in the development community. Japan was contributing large amounts of resources to the training of people who, upon their return to their home countries, were being denied access to positions that would permit them to apply their knowledge and skills in an effective manner. UNDP needed to address that problem in its own capacity-building.

26. Mr. BLANK (Germany) agreed that national capacity-building encompassed more aspects than those covered by existing programmes, and said that participation by grass-roots organizations and informal groups was an essential component of an effective national capacity-building effort. He agreed with the definition of capacity-building that Canada had presented and noted that that definition presupposed a degree of patience on the part of participants at the national and international levels. He believed that UNDP should incorporate criteria for the evaluation of performance with respect to Capacity 21 into the mid-term reviews of national country programmes.

27. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation) responding to the statements of Japan, Switzerland and Germany regarding the need for more specific information on the performance of capacity-building programmes, acknowledged that the discussion in the Administrator's report had been somewhat abstract. He would transmit information regarding specific programmes when it became available.

(Mr. Edgren)

28. In respect of Switzerland's concern regarding the political implications of capacity-building programming on the national level, he was aware of the problem; deficiencies in that regard could be corrected during the mid-term review process by evaluating objectively the specific environmental constraints on a programme as well as its overall social impact. He would be able to provide specific examples of such evaluations the following year. With respect to Switzerland's question concerning national capacity-building programmes in Africa, he said that the programmes in question would be evaluated during the normal course of the mid-term review process.

29. He agreed with India regarding the need for a more comprehensive approach to the problem of remaining trained indigenous personnel. While the TOKTEN programme had been a step in the right direction more could be done in that regard.

30. Regarding the question of DAC benchmarks for capacity-building, he said that UNDP had been participating in the process of developing those benchmarks; however, a clear scale for measuring performance in capacity-building across countries had not been devised because, as Canada had pointed out, capacity-building was so greatly influenced by the national context. He would undertake to provide specific examples of the use of Canada's definition in the execution of national capacity-building programmes at subsequent meetings of the Council.

31. The PRESIDENT said he took it that the Council wished to take note of document DP/1993/23 containing the report of the Administrator.

32. It was so decided.

(h) ISSUES RELATING TO PROGRAMME QUALITY, IMPACT, SUSTAINABILITY, EFFICIENCY AND PROGRAMME/PROJECT AUDITS (DP/1993/27 AND DP/1993/28)

33. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation), introducing the report of the Administrator on efficiency of programming and the comparative advantages of UNDP (DP/1993/28), said that the comparative advantages of UNDP were based on international agreements and mandates and the resources available for administration and for technical cooperation. The four characteristics of UNDP technical cooperation were: impartiality; universality; multi-sectoral scope; and the global network of field offices. Those characteristics, if used to develop a supply of products, services and relationships which met priority national needs in the most cost-effective manner, could be the basis for comparative advantage.

34. The comparative advantages of UNDP could be divided into two categories - functional and substantive. Functional comparative advantages referred to the mechanisms of designing and delivering technical cooperation, the relationship of UNDP with Governments, United Nations specialized agencies, non-governmental organizations and research institutions and were listed in paragraph 25 (a). The substantive comparative advantages of UNDP were potential rather than actual; they were referred to in paragraph 25 (b).

(Mr. Edgren)

35. Making the most of UNDP's comparative advantages would require better use of the field office network, more effective use of expertise elsewhere in the United Nations system, and closer contacts with research institutions and non-governmental organizations (NGOs). It would also be necessary to refine the relationships between UNDP and other agencies, including the Bretton Woods institutions. Furthermore, the Programme should ensure complementarity of effort among cooperating agencies and assist national authorities in identifying national technical cooperation needs and priorities.

36. To date, costs and prices in the market for technical cooperation were exerting only limited influence upon the demand-supply relationship in the market for technical services. UNDP would support measures to induce the market to function more efficiently in order to make it easier for national authorities to make rational choices. A more efficient market and a degree of competition would make it possible for the agencies involved in the supply of technical cooperation services to produce according to their comparative advantages.

37. Mr. LUNDBORG (Sweden), speaking on behalf of the Nordic countries, said that in view of the severe financial constraints facing UNDP and other agencies, there was a need for more clearly defined roles for each agency and a more targeted approach to development aid. UNDP should play a central role in the development activities of the United Nations system and, in order for it to do so, its governing and financial structure must be reformed. The Nordic countries were therefore deeply concerned to hear that the informal working group established by the General Assembly on principles for governance and financing of United Nations development activities had not yet reached a consensus.

38. Commenting on the report of the Administrator (DP/1993/28), and starting with the substantive comparative advantages of UNDP, he said that the studies commissioned by the Nordic countries within the framework of the Nordic United Nations project had showed that, due to the fragmented and marginal nature of its development assistance activities, the United Nations system had not played a sufficiently decisive role in the development of individual developing countries. UNDP's activities needed to be more focused. Since one of the Programme's main task was, and would continue to be, to enhance national capacities in developing countries, it would be necessary to improve its technical support efforts. That would require a significant increase in evaluation activities. One potential comparative advantage of UNDP was that its activities were cross-sectoral, allowing it to take a holistic approach to development issues. Another advantage stemmed from its analytical tasks. Through its Human Development Report UNDP had acquired an advocacy role and its development activities should be guided increasingly by the report. The Programme's increasingly vital role in emergency situations needed to be defined and strengthened. Although UNDP could play different roles in different countries, its goal should always be to improve the capacity of recipient countries to take full responsibility for their own development.

39. Concerning functional advantages, the Programme's global network of offices gave it a special position in the United Nations system and any discussions about its future role should also examine financing of and responsibility for those offices. Another crucial task was to achieve a clearer definition of the Programme's coordinating role in order to reduce the duplication and

(Mr. Lundborg, Sweden)

fragmentation which characterized United Nations development assistance activities.

40. While there was a need to constantly improve the Programme's recruitment policy through the hiring of personnel with substantial competence in the area of development assistance, training should also be emphasized as an important tool for further enhancing its efficiency.

41. Mr. MORALES-CARBALLO (Cuba) said that UNDP must continue to promote the economic and social development of all developing countries. UNDP's success was due in large measure to the fact that it was based on the principles of universality, neutrality and voluntarism and also to the insistence of recipient countries that they receive quality services and products. Cost and quality were inseparable and Governments must insist on both aspects.

42. He agreed that the comparative advantage of UNDP stemmed from a variety of things. While major multisectoral or multidisciplinary areas needed to be identified it was necessary to preserve a certain degree of flexibility in order to be able to take into account the situation of individual countries.

43. He further agreed that there were many potential comparative advantages. For example, the work of field offices could be improved to the greater benefit of recipient countries. Coordination could also be increased with other international organizations thus avoiding any duplication of effort.

44. National execution and the improvement of national capacity would have a decisive impact on the style of work done and on existing machinery. It would be up to the beneficiary countries to properly manage the sources of expert assistance for example. National execution would lead to a holistic way of looking at how UNDP could become even more effective.

45. Mr. NIE Hauliang (China) said that in response to changes in the international arena, UNDP had in recent years proposed a series of reforms. While a measure of innovation and reform was necessary, reforms should be carefully carried out and should be accompanied by safeguard measures. UNDP should set up guidelines for the timely implementation of those proposals in order to avoid any negative impact on its regular programme of operations.

46. There had been difficulties in reaching agreement with regard to the programme approach. Difficulties between headquarters and the field had delayed the execution of programmes. The work of UNDP should further emphasize macromanagement; excessive micromanagement had affected the efficiency of UNDP, which was not only lower than that of other international organizations but had also damaged the Programme's reputation. Some programmes took two years to prepare and preparation costs had amounted to 6 to 7 per cent of total input costs. In order to improve its efficiency, UNDP should further simplify the programme approval process and its field representatives should be given greater authority in approving projects. Experts should be selected on the basis of actual competence.

47. Mr. BLANK (Germany) said that the substantive comparative advantages listed in paragraph 25 (b) of document DP/1993/28 were crucial to the Programme's future. However, social development, poverty alleviation and community participation in development should be given top priority followed in that order by environmental protection and sustainable natural resources management; economic management and public sector reform; and productive capacity, involving technology transfer and support for the development of the private sector. UNDP must demonstrate its strength on the market. Functional comparative advantages were also very important but as competition was even stiffer in that area from other specialized agencies, UNDP had to prove its special competence and comparative efficiency. The contribution of UNDP to boosting the competence and responsibility of participant countries was also another key issue. All efforts should be geared to making UNDP a "world class repository of development experience".

48. UNDP now had the opportunity to enhance its performance as much as possible in order to enable all its partners to lend it their financial and intellectual support for the benefit of recipient countries. All United Nations bodies should be aware that the future of the operational system was extremely relevant to the world as a whole.

49. Ms. VOLKOFF (Canada) said that the question of comparative advantage was critical for UNDP. In order to get a competitive edge in the market, resources were required to develop competitiveness. She wondered whether, given the decrease in its resources UNDP could actually afford to invest such resources in developing that competitive edge or whether a decision must be made in advance as to which agencies were best suited to particular roles so that donor agencies and Governments could complement each other and avoid duplication or overlap. The comparative advantage of UNDP did not lie in the quantity of resources it brought to development. Generally speaking, the outline of functional comparative advantages presented in paragraph 25 (a) of the report was sound. With respect to substantive comparative advantages, she accepted the first three multisectoral areas listed in paragraph 25 (b) and agreed with the representative of Germany that they should be in a different order. However, concerning the fourth area, she pointed out that many bilateral donors were already trying to link private sector with private sector, adding that it was unclear whether UNDP could be more efficient than the donors.

50. Mr. ELLIS (United Kingdom), referring to the report on the efficiency of programming and the comparative advantages of UNDP (DP/1993/28), cautioned against taking an overly technical approach to the term "comparative advantage". The Programme should build principally on its experience and expertise acquired over the years in certain areas of technical cooperation and should not go into new areas requiring a build-up of expertise, particularly those that were already covered adequately by other aid organizations.

51. Complementarity should not be taken to extremes. His delegation did not feel that UNDP should, as a matter of priority, invest time in trying to make the market for technical cooperation services function better, which was not a necessary task of the Programme and perhaps not a practical or desirable goal. The substantive comparative advantages referred to in the report seemed to result from a bottom-up process based on the demands and requests of recipient

(Mr. Ellis, United Kingdom)

countries through the country programming exercise. The four multisectoral areas identified through the fifth-cycle country-programme process did not entirely correspond with the six priority areas set forth in Governing Council decision 90/34. He wished to know how and on what basis those areas had been identified.

52. The report on the harmonization of programme cycles and programming procedures (DP/1993/27) showed that the United Nations system must be flexible in order to respond to the preferences of developing countries. He felt that the Programme could do more in that area and should, perhaps, move away from a fixed five-year cycle, if that was the wish of recipient countries. Lastly, with regard to the simplification and harmonization of financial and reporting procedures, his delegation supported the idea of waiting for the recommendations to be submitted by the working group dealing with that question. Nevertheless, in view of the deadline imposed in General Assembly resolution 47/199 for reaching agreement on a manual, action must be taken very speedily once the recommendations were submitted.

53. Mr. ROHNER (Switzerland) stressed the need to develop a clear profile for UNDP. Instead of talking about comparative advantages, he preferred to identify the specific strengths of UNDP. Studies conducted in the past had demonstrated that there was a tendency to carry out scattered activities and ad hoc projects in a number of different sectors. In his view, the Programme's main characteristics were its multilateral approach and its general impartiality. UNDP should work in areas where that impartiality would be of particular importance, such as policy formulation. The Programme should do more work on the upstream side together with other organizations that could provide assistance in various fields.

54. It was absolutely crucial that the Programme's profile should be developed at the country level in conjunction with Governments. There should be a real dialogue between UNDP, the Government concerned and cooperation partners on the Programme's role and how to make best use of its resources in a given country. That should be the basis for the country programme, which was the point of reference for identifying the comparative advantages of UNDP. Through the country programme, UNDP and the recipient country demonstrated to the donors and cooperation partners the specific areas where best use could be made of the Programme's experience and know-how.

55. Mrs. CORVALAN (Observer for Chile) said that her country was engaged in a discussion involving public ministries in the field of multilateral cooperation and the representatives of private and public organizations active in national development in order to determine policy in the field of strategic planning. Chile was interested in availing itself of the opportunities provided by UNDP to make better use of innovative modalities and models of international cooperation that were most appropriate for its development needs.

56. Mr. EDGREN (Assistant Administrator and Director, Bureau for Programme Policy and Evaluation), responding to questions raised by delegations, said that the time had long since passed when the Programme was regarded as a donor of last resort which would fill gaps wherever they occurred. That was clear from

(Mr. Edgren)

the country programmes. The four areas referred to in the report under substantive comparative advantages were problem areas on which country programmes were focusing. Through the process of country-led programming exercises, the fifth cycle programme was much more focused than ever before.

57. The four areas tallied very well with the six priority areas identified in Governing Council decision 90/34. There was no intention of making UNDP into a specialized agency. The four areas were not sectors but rather types of problems on which attention should be focused in providing assistance. He agreed that in-house expertise often constituted the greatest obstacle to innovation. That was a general problem affecting a number of international aid organizations. Nevertheless, if the management of an organization was strong enough and had the necessary vision it was possible to design innovative programmes. It was his hope that UNDP would be able to do just that to respond to the new challenges facing it.

58. It was necessary to have sufficient expertise to find those who could provide inputs into development programmes. UNDP must be able to find top-notch experts and people with a broader knowledge of areas for providing assistance in order to satisfy the needs of recipient countries. The Programme was trying to enhance the capability of field offices to respond to some of those requirements since they handled much of the technical work involved. Decentralization of project work would be carried out by strengthening the technical capacity of field offices not only through in-house expertise but also by attracting people from the recipient country and the region to work in field offices and provide advice with regard to project design and monitoring.

59. The Programme could not afford not to develop comparative advantages in specific areas. In doing so, it should avoid spreading itself too thin and it must develop substantive expertise. Otherwise it would lose funding and its partners in developing countries would turn to other organizations. UNDP should try to make the market for technical cooperation services function better by bringing about greater transparency and providing developing countries with a better overview of what was being offered and the costs of the various services and products involved. In conjunction with the World Bank, UNDP would organize a seminar on that question in January 1994 in order to determine what could be done to make the market more transparent and provide better help to developing countries.

The meeting rose at 12.55 p.m.